

**COAST CENTRAL CREDIT UNION**  
**BYLAWS FOR STATE-CHARTERED CREDIT UNIONS**

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# BYLAWS OF COAST CENTRAL CREDIT UNION

## ARTICLE I

### NAME

The name of this credit union shall be COAST CENTRAL CREDIT UNION.

## ARTICLE II

### PURPOSES

**SECTION 1. GENERAL PURPOSE.** The purpose of this credit union is to engage in the business of a credit union and any other lawful activities not prohibited by applicable laws and regulations.

**SECTION 2. SPECIFIC PURPOSES.** To achieve the general purpose, this credit union has the following purposes:

- a. To promote thrift, honesty, integrity and the spirit of service among its members;
- b. To receive money for certificates for funds or promissory notes, to receive from members money for the purchase of regular and special shares;
- c. To make loans to its members for provident purposes at reasonable rates of interest;
- d. To make loans to other credit unions;
- e. To borrow money from any source in an amount not to exceed that permitted by the California Credit Union Law;
- f. To associate and cooperate with other credit unions; and
- g. To provide services to members to achieve the general purpose stated in Article II, Section 1.

## ARTICLE III

### MEMBERSHIP

**SECTION 1. QUALIFICATIONS.** The field of membership shall be limited to those having the following common bond of association:

**[FIELD OF MEMBERSHIP – See ‘ADDENDUM A’ attached hereto and incorporated as though fully set forth herein.]**

**SECTION 2. COMPENSATION FOR SECURING MEMBERS.** No commission or compensation shall be paid for securing members except as permitted by the California Credit Union Law.

**SECTION 3. APPLICATIONS FOR MEMBERSHIP.** Applications for membership shall be in writing and shall be made on forms prescribed and furnished by this credit union, including but not limited to written Application, E-mail or other electronic media.

**SECTION 4. PERIODIC MEMBERSHIP FEE.** A periodic membership fee, the amount of which shall be fixed from time to time by the Board of Directors, may be charged to each member of the credit union.

### **SECTION 5. ADMISSION TO MEMBERSHIP.**

- a. An applicant shall be admitted to membership upon payment of one regular share or upon the payment of an entrance fee, the amount of such regular share or entrance fee to be established from time to time by the Board of Directors and upon: (1) the approval of a membership officer in accordance with the Credit Union’s membership plan; or (2) the affirmative vote of a majority of the Board of Directors, a Chair of the membership committee, or an executive committee. The applicant shall not become a member until he or she shall have qualified for membership in the manner provided herein. Members who leave the field of membership may be permitted to retain their membership in the Credit Union until they withdraw from membership or are otherwise expelled from membership pursuant to these bylaws.
- b. Once admitted, except as otherwise provided in these Bylaws, all memberships shall have the same rights, privileges, preferences, restrictions and conditions as to voting on motions before the membership for their vote. Services may be limited as a result of member conduct, including but not limited to abuse of services; causing a financial loss to the Credit Union; abusive, harassing, or threatening behavior; illegal activity; or any conduct which could result in expulsion. Membership rights, privileges, preferences, restrictions, and conditions may vary as to loan and deposit rates, fees, availability of products and services, availability of nondeposit investment or insurance options, availability and terms of rewards programs, or other aspects of the Credit Union’s

operations other than voting of memberships, as based on geography, creditworthiness, engagement with Credit Union products and services, employment with the Credit Union, association with a particular sponsor, association, industry, or employer group, or any other attribute which is not illegal for the Credit Union to consider. Notwithstanding California Corporations Code 7331, these Bylaws do not restrict treatment of memberships differently for any purpose other than voting of memberships (except as otherwise provided herein).

#### **SECTION 6. INACTIVE MEMBER STATUS.**

- a. Any member whose share account balance falls below the required minimum regular share, as defined by the Board of Directors, and who has no outstanding loan balance may be transferred to inactive status. Such member shall have no voting rights, and no right to notice of meetings of members. Such inactive members shall not count as members for determination of quorums or required votes, and need not be sent annual reports or financial statements, except upon request. When an inactive member increases his or her share balances to the amount of the required membership share or borrows from the credit union, he or she may cease to be an inactive member.
- b. At the time a member is placed on inactive member status the member shall be given notice of the change in membership by first class letter or registered mail at the last known address in the credit union's records. The member shall be given at least ninety (90) days in which to increase the amount in the share account to the level approved by the Board of Directors or to take such other specified appropriate action as will remove the member from inactive status.
- c. In the notice of the transfer to inactive membership status, the credit union shall give notice of the actions necessary to remove the member from inactive member status and notice that failure to take the action necessary to remove the member from inactive member status may be deemed a voluntary withdrawal from Credit Union membership.

#### **SECTION 7. WITHDRAWAL FROM MEMBERSHIP IN THE CREDIT UNION.**

- (a) Any member may withdraw from membership in the Credit Union subject to the provisions of these bylaws, particularly Article III Section 11 of these bylaws.
- (b) A Member who fails to take steps necessary to be removed from inactive status may be deemed to have voluntarily withdrawn as provided in Section 306 of these bylaws.
- (c) A Member whose funds have been remitted to the Controller's office for purposes of escheat consistent with Section 1513 of the Code of Civil Procedure shall be deemed to have voluntarily withdrawn from membership.

#### **SECTION 8. EXPULSION FROM MEMBERSHIP IN THE CREDIT UNION.**

- (a) A member may be expelled as provided for in Article III Sections 9 and 10 of these bylaws. Conviction of a criminal offense, failure to carry out his or her contracts with the Credit Union, refusal to comply with the provisions of the California Credit Union Law or of these bylaws, abuse of Credit Union services, or violent, threatening, or harassing



behavior toward the Credit Union or its employees or volunteers, shall be cause for the expulsion of any member.

- (b) The Board of Directors may delegate the power to expel Members for cause to a membership committee or an executive committee, pursuant to a written membership plan adopted by the Board of Directors.

### **SECTION 9. PROCEDURE FOR EXPULSION OF A MEMBER.**

(a) Except as provided in Article III, Section 10, any member who is to be expelled by the Board of Directors or their designee pursuant to Article III, Section 8 of these bylaws shall be accorded a fair and reasonable hearing prior to such expulsion.

(b) Before expelling any member, the Credit Union shall provide written notice of the following:

- (1) The effective date for the expulsion at least twenty (20) days prior to the effective date of the expulsion;
- (2) The reason or reasons for the expulsion;
- (3) That the expulsion of the member shall not relieve the member of his or her duties, liabilities, or obligations owed to the credit union;
- (4) That the member has a right to be heard, orally or in writing, by the Board of Directors or their designee under Section 308(b) not less than five (5) days prior to the effective date of the expulsion, and the procedures for exercising this right. The Credit Union shall decide the manner in which the views may be presented (i.e., in writing or orally).

(c) Notices as required under this Section 9 shall be sent by first-class or registered mail or electronic transmission sent to the last address shown on the credit union's records, and in a manner reasonably designed to provide actual notice of the expulsion and procedures under this Section 9.

(d) If the member undergoes a hearing (in person or in writing) with the Credit Union and is not successful, the member shall receive notice that he or she may appeal the decision to the Board of Directors by requesting within thirty (30) days of the expulsion that the Board of Directors review such decision, including the member's reasons why the member should be permitted to remain a member. The Board of Directors may request additional information from management and/or the member if desired by the Board. After review by the Board of Directors, the Credit Union will provide written notice of the Board's final determination.

(e) Any action challenging an expulsion, suspension or termination of membership, including any claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension or termination.

**SECTION 10: IMMEDIATE EXPULSION PROCEDURES.**

(a) An expulsion pursuant to Article III, Section 8 for abuse of Credit Union services or property, or abusive, threatening, or harassing behavior toward the Credit Union or its employees, volunteers, or Members, may take effect immediately, without advance notice or an opportunity to be heard, if the Board of Directors, or its designee pursuant to Article III Section 8, determines that immediate expulsion is reasonably necessary for the protection of the Credit Union or its staff, volunteers, or members.

(b) Any member who is to be expelled by pursuant to this Section 10 shall be provided written notice within five (5) business days after the effective date of that expulsion. Within five (5) days after the effective date of expulsion, the Credit Union shall provide written notice of the following:

- (1) The effective date for the expulsion;
- (2) The reason or reasons for the expulsion;
- (3) That the expulsion of the member shall not relieve the member of his or her duties, liabilities, or obligations owed to the credit union;
- (4) That the member has a right to be heard, in writing, by the Board of Directors or their designee under Article III Section 8, and the procedures for submitting such writing.

(c) Notices as required under this Section 10 shall be sent by first-class or registered mail or electronic transmission sent to the last address shown on the credit union's records, and in a manner reasonably designed to provide actual notice of the expulsion and procedures under this Section 10.

(d) If the member undergoes a hearing with the Credit Union as provided in Section 10(b)(4) and is not successful, the member shall receive notice that he or she may appeal the decision to the Board of Directors by requesting within thirty (30) days of the Credit Union's notice of its decision that the Board of Directors review such decision, including the member's reasons why the member should be permitted to remain a member. The Board of Directors may request additional information from management and/or the member if desired by the Board. After review by the Board of Directors, the Credit Union will provide written notice of the Board's final determination.

(e) Any action challenging an expulsion, suspension or termination of membership, including any claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension or termination.

**SECTION 11. LIABILITY OF WITHDRAWING OR EXPELLED MEMBER.**

(a) A member who withdraws or is expelled shall not be relieved of any duty, liability or obligation to the Credit Union, whether arising from contract or otherwise. Any member who withdraws from membership prior to 18 months after becoming a member may be charged a fee to be fixed from time to time by the Board of Directors.

(b) All funds due to a member who withdraws under Section 7 or is expelled under Section 8 shall be paid to such member within a reasonable period of their expulsion. For inactive members who withdraw under Section 7 pending such payment funds shall be placed in a reserve account. The Credit Union shall keep a record of the funds, including dividends earned, that are the property of each member of the Credit Union whose share account is transferred to the reserve account. Dividends shall be paid at the dividend rate declared for regular shares in the Credit Union unless the amount in the member's share account is below the amount specified in Article XI of these bylaws. In the event that a member who has been transferred to inactive member status cannot be located before the expiration of the period specified in the California Unclaimed Property Law (California Code of Civil Procedure Section 1300 et seq.), such funds remaining in the member's account plus any dividends earned shall be paid to the State of California pursuant to the Unclaimed Property Law.

## ARTICLE IV

### MEETING OF MEMBERS

#### SECTION 1. TIME OF THE ANNUAL MEETING.

- a. The annual meeting of the members shall be held each year in the month of February at a day and time to be determined by the Board of Directors. Annual meetings shall be held at the principal executive office of the credit union or at such other place in the state as may be determined by the Board of Directors and designated in the notice of such meeting.
- b. If, in any year, the election of directors is not held at the annual meeting of the shareholders or an adjournment of the meeting, the Board of Directors shall call a special meeting of the members as soon thereafter as is reasonably possible, but not more than sixty (60) days from the date of the annual meeting, for the purpose of holding the election and transacting such other business as may properly be brought before the meeting.

In the event the Board of Directors fails to call a meeting within sixty (60) days after the date set for the annual meeting, any member may petition the superior court of the county in which the credit union has its principal office to order such a meeting after giving notice to the credit union and giving it an opportunity to be heard. At such meeting, the members shall elect directors and transact all other business properly brought before the meeting.

- c. No change in the time or place of a meeting for the election of directors may be made within ten (10) days of the date for which the meeting is scheduled. Written notice of any change in the date of such a meeting must be given to each member of record at least ten (10) days prior to the date for which any such meeting is rescheduled.
- d. Any annual or special members' meeting may be adjourned by the affirmative vote of a majority of the members present in person. An adjournment may be voted regardless of whether a quorum is present. When a members' meeting is adjourned for more than forty-five (45) days, notice of the adjourned meeting must be given as in the case of an original meeting.

When a meeting is adjourned for less than forty-five days, no notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting at which the adjournment is voted, unless after the adjournment, a new record date is fixed for the adjourned meeting.

#### SECTION 2. NOTICE OF ANNUAL MEETING OR SPECIAL MEETING CALLED BY THE BOARD OF DIRECTORS OR SUPERVISORY COMMITTEE.

At least ten (10) but not more than ninety (90) days before the date of any annual meeting of the members or a special meeting of the members, the secretary of the Credit Union shall mail,

transmit electronically, or cause to be mailed to each voting member, a notice which shall set forth the hour, day and place of such meeting. If the notice mailed to members is not sent by first class or certified mail, such notice shall be mailed not less than twenty (20) days before the meeting. Special meetings may be held upon order of the Board of Directors as set forth herein (or in the California Credit Union Law), a majority vote of the Supervisory Committee, or pursuant to members request as set forth in Article IV, Section 3.

**SECTION 3. SPECIAL MEETINGS REQUESTED BY MEMBERSHIP.** Special meetings of the members shall be held upon written request of ten (10) members or three percent (3%) of the membership, whichever is greater. The Board of Directors shall hold a special meeting as provided herein:

- (a) The date for the special meeting shall be fixed by the Board of Directors at a date not less than thirty-five (35) nor more than ninety (90) days after the Board of Directors receipt of the written request of the requisite number of members of the credit union.
- (b) Notice of the special meeting and the conduct of the special meeting shall be in accordance with applicable law and these bylaws.
- (c) If notice of the special meeting is not given within twenty (20) days after the receipt of the written request for a special meeting by the requisite number of members, the persons entitled to call the meeting may give the notice, or the superior court of the county in which the credit union has its principal office shall summarily order the credit union to give the required notice after giving notice to the Credit Union and affording it an opportunity to be heard.

**SECTION 4. ADJOURNMENT FOR WANT OF A QUORUM.** If at any annual or special meeting of the members no quorum is present, the meeting shall be adjourned to a date not less than seven (7) nor more than fifteen (15) days thereafter, at which time those present shall constitute a quorum for the transaction of business.

**SECTION 5. TIME AND PLACE OF SPECIAL OR ADJOURNED MEETING.** The time and place of any special meeting or a meeting of the members that is adjourned for more than forty-five (45) days shall be determined by the Board of Directors.

**SECTION 6. MANNER OF GIVING AND WAIVER OF NOTICE.**

- (a) Notices shall be given be given personally, by electronic transmission as provided in Section 13, or by mail, addressed to a member at the address of the member appearing on the books of the credit union or given by the member to the credit union for purpose of notice.
- (b) If any notice or report addressed or transmitted to the member at the address of such member appearing on the books of the credit union is returned to the credit union by the United States Postal Service or the member's electronic mail server marked to indicate that the United States Postal Service or such mail server is unable to deliver the notice or report to the member at such address, all future notices or reports shall be deemed to have been duly given without further mailing if a copy shall be available for the member upon written demand of the member at the

principal office of the Credit Union for a period of one year from the date of the giving of the notice or report to all other members.

(c) Any meeting of members, whether annual, special or adjourned, at which a quorum is present, may be held without prior notice at any place or time if all the members entitled to vote, who are not present at such meeting, shall in writing waive notice thereof before, during or after the meeting. Voting and attendance shall constitute a waiver of notice for any member present at that meeting.

**SECTION 7. QUORUM.** Fifteen (15) members present in person, who are entitled to vote at any regular, special or adjourned meeting of members, shall constitute a quorum for the transaction of business at any such meeting of the members.

**SECTION 8. VOTING RIGHTS.** Every natural person member of this credit union shall have one-sixth ( $1/6$ ) of one vote for every three (3) years of age of the member on any matter placed before the members of this credit union for their vote by written ballot distributed to all members by mail or at any regular or special meeting of the members wherein the members are present in person or by proxy, provided that no fractional votes shall be cast. Non-natural person members (such as, for example, corporations, partnerships, sole proprietorships, and limited liability companies), may vote, so long as they have properly authorized in writing one (1) or more natural persons to vote on its behalf (on matters which require a vote of the members), and have provided such authorization to the credit union. No member shall have more than one vote irrespective of the shares held by that member.

#### **SECTION 9. RECORD DATE.**

(a) The Board may fix in advance a date as the record date for the purpose of determining the members entitled to notice of any meeting of the members. Such record date shall not be more than ninety (90) nor less than ten (10) days before the date of the meeting. If the Board does not specifically fix in advance a record date, members of record at the close of business five (5) calendar days before the notice date shall be entitled to notice.

(b) The Board may fix in advance a date as the record date for the purpose of determining the members entitled to vote at a meeting of the members. Such record date shall not be more than sixty (60) days before the date of the meeting. If the record date for notice is within sixty (60) days of the meeting date and the Board does not fix an alternative date as the record date for voting, those members entitled to notice shall also be the members entitled to vote at a meeting. If the record date for voting is not within sixty (60) days before the meeting date and the Board does not fix an alternative record date, members of record on the business day immediately preceding who are otherwise eligible to vote are entitled to vote at the meeting of members.

(c) The record date for the purpose of determining the members entitled to cast written ballots shall be the date five (5) days before the first written ballot is mailed.

(d) In the event of a vote on a merger or charter conversion to be presented to the members by both written ballot and in person at a meeting, the record date for voting by mail ballot and at the meeting shall be the date five (5) days before the mailing of the notice and ballot.

(e) The record dates for any adjournment of a meeting shall be the same as for the adjourned meeting.

#### **SECTION 10. MAIL VOTING BY WRITTEN BALLOT.**

- a. Any matter of business to be voted upon by the members at any annual, special, or adjourned meeting of such members, including the election of directors or any committee members required to be elected by the members of the credit union pursuant to these bylaws, may be submitted by mail to all of the members for their written vote without a meeting of the members at the motion and approval of a majority of the members of the Board. Any written mail ballot distributed to all members entitled to vote shall be in accordance with procedures established by the Board of Directors subject to the provisions of this section.
- b. In the event of the submission of any matter to the members of the credit union for their approval or disapproval, including the election of the directors and any committee members required to be elected by the members pursuant to these bylaws, such vote shall be valid only if the following conditions are met:
  1. The number of votes cast equals or exceeds the number of persons constituting a quorum at a regular or special meeting of the members and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting of the members present in person or by proxy.
  2. Proxy voting shall not be permitted in regard to any matter submitted to the members for their written mail ballot vote.
  3. The written ballots shall conform to the form required by the provisions of Section 14821 of the Financial Code.
  4. The written ballots shall be mailed to the address appearing on the credit union's membership list provided that if any notice or report addressed to the member at the address of such member appearing on the books of the credit union is returned to the credit union by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the member at such address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available for the member upon written demand of the member at the principal office of the corporation for a period of one year from the date of the giving of the notice or report to all other members.
  5. All solicitations or written ballots by mail shall indicate the number of responses needed to meet the quorum requirement and with respect to ballots other than for the

election of directors, shall state the percentage of approvals necessary to pass the matter submitted to the members.

6. The solicitations must specify the time by which and the address at which the ballot must be received in order to be counted.
  7. The Board of Directors shall prescribe in a written resolution or resolutions any and all procedures necessary to conduct an election or obtain approval by the members of any matter submitted by mail to all members entitled to vote.
  8. The results of an election or the vote to approve or disapprove any matter submitted by written ballot to the members by mail shall be certified by the Chair and the Secretary of the credit union in the minutes of the Board of Directors' meeting following the determination of the results of the vote by written ballot submitted to the members by mail. The certification shall also certify that the written ballot was conducted in conformity with the provisions of applicable law and these bylaws.
- c. Nothing in this section shall preclude the Board of Directors from employing third parties to conduct or assist in conducting a written ballot by mail in accordance with the applicable law, regulations and these bylaws.

**SECTION 10. ORDER OF BUSINESS.** The order of business at the annual or adjourned meeting thereof shall be:

- a. Introductions and Ascertainment of Quorum.
- b. Review and approval, or correction, of the minutes of the last meeting.
- c. Chair's Report.
- d. Treasurer's Report.
- e. Supervisory Committee Report.
- f. Other Noticed Agenda Items.
- g. Elections.
- h. Adjournment.

**SECTION 11. MANNER OF CONDUCTING ANY ANNUAL OR SPECIAL MEETING OF THE MEMBERS.** At any annual or special meeting of the members, subject to the provisions of Section 10 of this Article and Article V, Section 4 of these bylaws, the meeting shall be conducted in accordance with Robert's Rules of Order, to the extent consistent with the provisions of these bylaws, including, but not limited to, those provisions allowing for the use of proxies.

**SECTION 12. MEETINGS OF MEMBERS BY ELECTRONIC TRANSMISSION.** A meeting of the members may also be conducted, in whole or in part, by electronic transmission by and to the Credit Union under Section 13, or by video screen communication if the Credit Union implements reasonable measures to provide members a reasonable opportunity to participate in and vote on matters submitted to the members, including an opportunity to hear the



proceedings substantially concurrently with the proceedings. A record of any votes or other actions taken at a meeting by electronic means shall be maintained by the Credit Union.

### **SECTION 13. NOTICE AND VOTING BY ELECTRONIC TRANSMISSION.**

(a) For any notice, ballot, or other communication which is required by these bylaws or the Board of Directors to be mailed to members, mailed by member to the Credit Union, or given to directors or members of the Supervisory Committee, such notice, ballot, or other communication may be delivered by electronic transmission, provided that the electronic transmission meets with all of the requirements of this Section 13.

(b) For any electronic transmission by the Credit Union pursuant to these bylaws, the applicable notice or other communication shall be directed to the facsimile number or electronic mail address appearing on the credit union's membership list or posted to an electronic message board or network that the Credit Union has designated for those communications, together with a separate notice to the member of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or by such other electronic communication means as designated by the Board of Directors. Any electronic communication shall be made in such a way as to create a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. Electronic transmission of notices or other communications shall only be made to members who have provided an unrevoked consent to the use of electronic communication, and which consent describes any right of the recipient to have the record provided or made available on paper or in non-electronic form; whether the consent applies only to one transmission, to specified categories of communications, or to all communications from the corporation; and the procedures required to withdraw consent. Any request by the Credit Union to members to conduct meetings by electronic transmission shall also include a notice that absent consent of the member to communicate by electronic transmission or hold a meeting by electronic means, the meeting shall be held at the physical location established in accordance with these bylaws.

(c) For any electronic transmission to the Credit Union pursuant to these bylaws, the communication shall be delivered to the facsimile number or electronic mail address which the Credit Union has provided for sending the applicable communication, or posted to an electronic message board or network the Credit Union has designated for those communications and which transmission shall be validly delivered upon posting, or by such other electronic communication means as designated by the Board of Directors. The Credit Union shall put into effect reasonable measures to verify that the sender is the member, committee member, or director purporting to send the transmission. Any electronic communication shall be made in such a way as to create a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

## ARTICLE V

### ELECTIONS

**SECTION 1. BALLOT.** Except as provided in Article IV, Sections 7 and 10 of these bylaws, all persons present in person or by proxy at any election shall vote by ballot when there is more than one nominee for each vacant office.

### **SECTION 2. NOMINATIONS FOR ELECTION AND ELECTION PROCEDURES.**

- a. The Board shall provide notice to the members of the credit union of the number of vacancies and the terms of office on the Board of Directors, and any committee required to be elected by the members that will be open for election at the annual meeting, and the methods by which to seek nomination for those vacancies in the quarter preceding the quarter in which the date for the close of nominations for the Board of Directors and other elected committees is established, as provided in subsection b. of this section.
- b. The nominations of persons for election to the Board of Directors and any committee required to be elected by the members of this credit union shall close at midnight on a day which shall not be more than ninety (90) days before nor less than fifty (50) days before the date of the annual meeting established pursuant to Article IV, Section 1 of these bylaws and further provided that in the event that the election of directors or other committee members required to be elected by these bylaws is to be by written ballot, the date for the close of nominations shall be the day that is one hundred twenty (120) days before the day the directors and committee members are to be elected in order to permit the credit union to print and distribute the written ballots to all members by mail. In the event of the use of the written ballot pursuant to Article IV, Section 1 of these bylaws, the notice of vacancies pursuant to subsection (a) shall be mailed in accordance with procedures to be established by the Board of Directors provided that notice shall be mailed with the quarterly statements of the members' share and loan accounts two quarters before the quarter in which the annual meeting is set pursuant to Article IV, Section 1 of these bylaws. In any event, no nominations for the Board of Directors or other elected committee vacancies can be made after the close of nominations pursuant to this section.
  1. Subject to the provisions of paragraph 2 and subsection d. of this section, after the close of nominations pursuant to this subsection, the Board of Directors shall mail to all members entitled to vote, with the notice of the date, time and place at which the annual meeting will be held, a list of those persons nominated for the vacancies and the terms of office on the Board of Directors or on any committee required to be elected by the members for which nominees may be elected when the nominees are to be elected by ballot at the annual meeting.
  2. Subject to the provisions of subsection d. of this section, if the nominees are to be elected by written ballot submitted by mail to all members entitled to vote, pursuant to Article IV, Section 10 of these bylaws, the written ballot shall be distributed to the

members of the credit union with the notice of the date, time and place at which the annual meeting is to be held.

3. Subject to subsection d. of this section, after the close of nominations pursuant to this subsection, and accompanying the list of nominees required in paragraph 1. or the written ballot required in paragraph 2. of this subsection, the Board of Directors shall mail to all members entitled to vote a statement for each nominee which shall be prepared by each nominee, not to exceed in its entirety two hundred and fifty (250) words, which shall set out the qualifications of the nominee for the office to which he or she has been nominated and the reasons for the nominee's candidacy, provided that the Board of Directors is not required to delay any mailing of the material set out in this subsection to the members of the credit union entitled to vote if the nominee does not submit the material to the Secretary of the credit union by midnight two (2) business days before the date the materials in paragraph 1. or 2. of this section are required to be mailed to the members. Thereafter, the nominee will be required to make the mailing at his or her own expense and as provided in Sections 7524, 7525, 7527 and 8330 and following sections of the Corporations Code.
- c. In addition to a nominating committee which may be employed by the Board, or other methods for nominations which may be established by resolution of the Board of Directors to seek nominations for the vacancies on the Board and other elected committees, nominations may also be made by members by means of petition(s). Subject to subsection b. of this section, such petition(s) must be signed by members entitled to vote pursuant to Article IV, Section 8 within eleven (11) months prior to the annual meeting by one percent (1%) of the membership entitled to vote, with a minimum of twenty (20) and a maximum of five hundred (500) of such members' signatures. Such petition(s) shall be delivered to the Secretary by the date set for the close of nominations. In the event of mailed petitions, the postmark date on the envelope shall determine the effective date of delivery of the petition(s) to the Secretary.
- d. If no nominations for vacant positions are received, than the number of vacant positions, the credit union may, without further action, declare that those nominated and qualified to be elected are elected.

### **SECTION 3. FAILURE OF NOMINATIONS.**

- a) If after the Close of Nominations there are fewer nominees than there are vacancies resulting from the expiration of a regular term, resulting in elections for one or more expiring terms not being held at the Annual Meeting, then the Board of Directors may make nominations during the period between the Annual Meeting and any adjournment thereof, and members may be nominated as provided under Section 2(c), with a revised Close of Nominations of the day before the date of the adjourned meeting.
- (b) In no event shall there be nominations from the floor.

(c) A nominee of the nominating committee or a nominee by petition shall not be deemed to have not been nominated if the nominee, after the Close of Nominations, dies, becomes unqualified, or withdraws from the election. If such a nominee is elected, his or her position shall be deemed vacant immediately after the Annual Meeting, and such vacancy shall be filled in accordance with Article VI Section 8 or Article VIII Section 5.

#### **SECTION 4. INSPECTORS OF ELECTION.**

- a. At least thirty (30) days prior to the annual meeting to elect the directors and committee members, the Board of Directors shall appoint three (3) inspectors of election. Their duties shall be as follows:
  1. Determine the number of persons eligible to vote;
  2. Determine the authenticity, validity and effect of proxies to be cast in the election and if provided in procedures developed by the Board of Directors pursuant to Article IV, Section 10 of these bylaws, to determine the authenticity, validity and effect of written ballots distributed to all members by mail pursuant to Section 7513 of the Corporations Code;
  3. Distribute and collect ballots at a meeting of the members, and, if provided for in procedures developed by the Board of Directors pursuant to Article IV, Section 10 of these bylaws, the inspectors of election may distribute and collect or supervise the distribution and collection of written ballots distributed to all members by mail pursuant to Section 7513 of the Corporations Code;
  4. Tally and announce the results of the election in connection with a vote to elect directors at a meeting of the members.
  5. Hear and determine all challenges and questions arising in connection with the right to vote;
  6. Determine when the polls shall close in connection with a vote at a meeting of the members; and
  7. Do such other acts as may be proper to conduct the election or vote with fairness to all members.
- b. If the inspectors refuse to act or fail to appear at the meeting, any member entitled to vote and present, either in person or by proxy, may request and the chair of the meeting shall then perform all duties and exercise the authority and responsibilities set out in this section of the bylaws.

- c. The inspectors of elections shall perform their duties impartially, in good faith, to the best of their abilities, and as expeditiously as practical. The decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all.

**SECTION 5. ORDER OF ELECTIONS.**

- a. Election of Supervisory Committee members
- b. Election of directors

**SECTION 6. NOTICE OF RESULTS OF ELECTIONS.** Within ten (10) days after their election or appointment, the names and addresses of all persons elected or appointed to office shall be forwarded to the Commissioner of the Department of Financial Protection and Innovation, State of California, as required by the Rules and Regulations issued by the Department of Financial Protection and Innovation.

## ARTICLE VI

### **BOARD OF DIRECTORS**

**SECTION 1. NUMBER OF MEMBERS, QUALIFICATIONS.** The Board of Directors shall consist of nine (9) members, each of whom shall be a member of this credit union in his or her own right. No member of the Board of Directors shall serve as a member of the Supervisory Committee, Credit Manager or loan officer, nor receive compensation for his or her services as a director. Also, every director shall be bondable in accordance with applicable California credit union law and regulations. Moreover, such member shall not have: (1) within the last ten (10) years, been convicted of or pleaded nolo contendere in a crime; or (2) committed any criminal act involving dishonesty, fraud, or deceit, which crime or act is substantially related to the qualifications, functions, or duties of a person engaged in business in accordance with the provisions of these bylaws.

**SECTION 2. TERM OF OFFICE.** Directors shall be elected by the members at their annual meeting and shall be elected for a period of three (3) years. The directors' terms of office shall be staggered so that insofar as possible an equal number of such terms shall expire each year. Unless sooner suspended or removed as provided for in the California Credit Union Law or these bylaws (or except as provided for an initial term for a seat established upon the expansion or reduction in the number of directors), members of the Board of Directors shall serve from the time of their election for a period of three (3) years and until their successors shall have been elected.

**SECTION 3. MEETING TO ELECT OFFICERS.** The Board of Directors shall hold a meeting within ten (10) days after the annual meeting of members for the purpose of electing from their number the officers enumerated in Article VII, Section 1 of these bylaws.

**SECTION 4. QUORUM.** A majority of the number of directors as set forth in Section 1 of this Article shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

### **SECTION 5. MEETINGS.**

- a. Regular meetings of the Board of Directors may be called by the Chair or in his absence, the vice chair or any two directors upon notice given in such manner as the Board of Directors may from time to time establish by resolution recorded in the minutes of the Board of Directors, specifying the date, time and place of the regular meeting of the Board of Directors provided that the Board of Directors shall meet to transact the business of the credit union on a regular basis, not less than quarterly, as reasonably determined by the board of directors.
- b. Special meetings of the Board of Directors may be called by the Chair or Vice Chair at any time and shall be called upon the written request of any three (3) directors, provided that:

1. Notice of any special meetings of the board shall be held upon four (4) days notice to all members of the Board of Directors by first class mail or by forty-eight (48) hours notice delivered personally or by telephone or telegraph; and
  2. Notice of a special meeting of the board may not be dispensed with except that such notice may be waived as provided in Article VI, Section 7 of these bylaws.
- c. In the event of the adjournment of any meeting of the Board of Directors for more than twenty-four (24) hours to another time and place, whether or not a quorum is present, notice of the adjournment of the meeting to another time or place shall be given to the directors who were not present at the time of adjournment.
- d. Subject to requisite notice of the meeting and subject to Article VI, Section 6 below (limiting the number of times a director can participate in board meetings by teleconference methods), nothing in these bylaws shall prevent members of the board from conducting or participating in a meeting through use of conference telephone or similar communications equipment so long as all members participating in such meeting can hear one another. Except as otherwise provided in these bylaws (including Article VI, Section 6), participation in such a conference meeting shall constitute the presence of the director at the meeting.

**SECTION 6. ABSENCE FROM MEETINGS.** Unless excused therefrom, the office of any director shall be declared vacant if (1) such director is absent from three (3) consecutive regular meetings of the Board of Directors; (2) if such director has been declared of unsound mind by a final order of court or convicted of a felony or ceases to be bondable; or (3) is otherwise prohibited from service by a regulator with or court with jurisdiction over the Credit Union. In any such case, such vacancy shall be filled as provided for in Section 9 of this Article.

**SECTION 7. WAIVER OF NOTICE.** Any meeting of the Board of Directors, whether regular, special or adjourned, may be held without prior notice at any place or time providing the directors who are not present at such meeting waive, in writing, notice thereof before, during or after the meeting. Voting and attendance shall constitute a waiver of notice for any director present at that meeting.

**SECTION 8. VACANCIES ON THE BOARD OF DIRECTORS.** A vacancy on the Board of Directors shall be filled in accordance with Section 7224 of the California Corporations Code and Section 14452.5 of the California Financial Code, subject to the following: (a) a vacancy that exists due to the expiration of the term of a director shall be filled only by the members of the credit union; (b) if the Board of Directors appoints a director to fill a vacancy, the director so appointed shall hold office only until the next annual meeting at which time the members shall elect a director to hold office until the expiration of the term for which elected; (c) if the members elect a director to fill a vacancy, the directors so elected shall hold office until the expiration of the term for which elected.

**SECTION 9. GENERAL POWER AND DUTY.** The Board of Directors shall have the duty of general management of the affairs, funds and records of this credit union and shall possess all

express or implied powers and duties conferred or imposed upon them under applicable law or elsewhere in these bylaws which are not specifically reserved to or conferred or imposed upon others.

#### **SECTION 10. COMMITTEES.**

- (a) The Board of Directors may appoint an executive committee of no fewer than three (3) directors, to serve at the Board's pleasure, and to act as expressly approved by the Board of Directors in accordance with applicable law and regulations, including in the purchase and sale of securities, investment and withdrawal of funds, in borrowing funds, and in making loans to other credit unions in accordance with applicable law and regulations.
- (b) The Board of Directors may, by resolution adopted by a majority of the number of directors then in office, provided that a quorum is present, create one or more committees, each consisting of two or more directors (and no non-directors), to serve at the pleasure of the Board, and which may be delegated the power of the Board, or such lesser powers or authorities as determined by the Board. Notwithstanding the foregoing, a committee may not be delegated the authority to (1) approve any action which requires the approval of the members; (2) fill vacancies on the Board or in any committee which has the authority of the Board; (3) amend the Bylaws; (4) amend or repeal any resolution of the Board which by its express terms is not amendable or repealable by a committee; (5) appoint committees or the members thereof; (6) expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected; or (7) hire or terminate the employment of the Chief Executive Officer.
- (c) The Board of Directors may create committees (with such purpose as the Board shall define) that do not exercise the authority of the Board, or delegate to the Chair the creation of committees (with such purposes that the Chair shall define) that do not exercise the authority of the Board, which other committees may include persons regardless of whether they are directors.

#### **SECTION 11. SPECIAL DUTIES.** It shall be the special duty of the directors:

- a. To act upon all applicants for membership unless such duty has been delegated to the Chair of a membership committee or to an executive committee or to membership officers (in accordance with a written membership plan) as provided in Article III of these bylaws.;
- b. To expel members for cause, subject to the procedural provisions of Article III;
- c. To obtain adequate bond coverage for each director, officer, supervisory committee member, credit manager, and for each employee having control or access to funds owned by or pledged with this credit union, subject to the provisions of the California Credit Union Law;



- d. To fix from time to time: (1) The rate of interest to be paid on certificates for funds, (2) the rate of interest to be charged for loans, and (3) any service charge permitted by the California Credit Union Law;
- e. To declare and authorize the payment of dividends on shares and to authorize the payment of interest refunds to borrowing members;
- f. To review from month to month the accounts of members delinquent in their payments on loans and to require, if deemed necessary, additional security to be given by the borrower, and if such security is not furnished as required, to declare the loan due and payable and to take action to collect same.
- g. To adopt amendments to these bylaws in accordance with the provision of Article XV, Section 2 of these bylaws;
- h. To direct the deposit or investment of funds, except loans to members;
- i. To acquire membership in other credit unions in the name of this credit union;
- j. To purchase, hold or sell in the name of this credit union real and personal property subject to the provisions of the California Credit Union Law;
- k. To approve the hiring of the Credit Manager at the initial time of his or her employment;
- l. To borrow money in the name of this credit union subject to the provisions of the California Credit Union Law;
- m. To perform such other duties as these bylaws or any amendment thereto may prescribe.

**SECTION 13. SPECIAL POWERS.** The directors shall have the power:

- a. To fix the amount of charges which shall be assessed members for failure to make payments on loans when due, subject to the provisions of the California Credit Union Law;
- b. To suspend or waive the payment of any charges;
- c. To call special meetings of the members;
- d. To purchase a corporate seal which shall have inscribed upon its circumference the words, "Coast Central Credit Union, Humboldt County, California, incorporated August 21, 1974."
- e. To authorize in the name of this credit union, membership in the California Credit Union League and pay dues thereto; and

- f. To submit to all of the members for mail voting any matter of business to be voted on by such members.

## ARTICLE VII

### **OFFICERS AND THEIR DUTIES**

**SECTION 1. ENUMERATED.** The officers of the Credit Union shall consist of a Chair of the board, one (1) or more Vice Chair(s), secretary, treasurer, and may include one (1) or more assistant treasurer(s). The offices of secretary and treasurer may be held by the same person.

**SECTION 2. TERM OF OFFICE.** Unless sooner suspended or removed as provided for in the California Credit Union Law or these bylaws, the officers shall hold office from the time of their election until the meeting of the Board of Directors, as provided for in Article VI, Section 3. of these bylaws, and until their successors shall have qualified for office.

**SECTION 3. DUTIES OF THE CHAIR.** The Chair shall preside at all meetings of the Board of Directors, shall countersign all notes of this credit union, and shall perform such other duties as may be prescribed by resolution of the Board of Directors.

**SECTION 4. DUTIES OF VICE CHAIR.** The vice Chair shall have and exercise all the powers, authority and duties of the Chair during the absence or inability of the latter, and shall perform such other duties as may be prescribed by resolution of the Board of Directors.

**Section 5. DUTIES OF SECRETARY.** The Secretary shall maintain or cause to be maintained full and correct records of all meetings of the members and of the Board of Directors. He or she shall give or cause to be given, in the manner prescribed in Article IV of these Bylaws, proper notice of all meetings of the members, prepare and maintain a list of the names and addresses of all persons eligible to vote on any matter that may be presented to the members for their approval or disapproval or to vote for the election of directors or any committee required to be elected by the members of the Credit Union and shall perform such other duties as may be prescribed by resolution of the Board of Directors or by applicable law or regulations and these bylaws. The Board of Directors may also make use of a recording secretary, who shall not be an officer or director, and who may be delegated duties of the Secretary or perform such other administrative functions for the Board of Directors as determined by the Board of Directors and/or chief executive officer.

### **SECTION 6. DUTIES OF TREASURER OR FINANCIAL OFFICER.**

If the Board of Directors has authorized the chief executive officer, the chief executive officer shall fulfill the functions provided for in this Section 6, or shall hire and delegate such functions to a chief financial officer or other management officers. In the absence of a chief executive officer or chief financial officer, the Treasurer of the Board of Directors shall fulfill the duties of the chief financial officer provided for herein. Subject to such direction, limitations, controls, and delegations as may be imposed by the board, the treasurer or financial officer shall:

- a. Before entering upon his or her duties, be provided with adequate surety bond coverage in an amount to be determined by the Board of Directors from time to time, conditioned

upon the honest performance of his or her duties, subject to the provisions of the California Credit Union Law;

- b. Subject to such limitations and controls as may be imposed by the Board of Directors, the financial officer shall have custody of funds, securities, valuable papers and all other property of this credit union, except his or her own bond, which shall be in the custody of such other person as the Board of Directors may designate;
- c. Provide and maintain a full and complete record of accounts, in books belonging to this credit union, showing all transactions of this credit union, its assets, liabilities and financial conditions, and shall see that all expenditures are duly authorized; and
- d. Within twenty-one (21) days after the close of each month, prepare and submit to the Board of Directors, and supervisory committee, a financial statement showing the condition of this credit union, including a detailed statement of delinquent loans as of the close of business at the end of each month.

**SECTION 7. CHIEF EXECUTIVE OFFICER.** The Board of Directors of the credit union may employ a chief executive officer, who shall be under the direction and control of the board. The chief executive officer, president, or manager may be assigned any or all of the responsibilities of the treasurer described in Section 6 of this Article.

## ARTICLE VIII

### SUPERVISORY COMMITTEE

**SECTION 1. NUMBER OF MEMBERS, QUALIFICATIONS, COMPENSATION.** The Supervisory Committee shall consist of three (3) members, each of whom shall be a member of this credit union in his or her own right. No member of the Supervisory Committee shall serve as a member of the Board of Directors or as Credit Manager, nor shall he or she be an employee of this credit union. No member of the Supervisory Committee shall receive compensation for his or her services as a member of such committee. Also, every member of the Supervisory Committee shall be bondable in accordance with applicable California credit union law and regulations. Moreover, such member shall not, have: (1) within the last ten (10) years, been convicted of or pleaded nolo contendere in a crime; or (2) committed any criminal act involving dishonesty, fraud, or deceit, which crime or act is substantially related to the qualifications, functions, or duties of a person engaged in business in accordance with the provisions of these bylaws.

**SECTION 2. TERM OF OFFICE.** At the annual meeting each year, elections to the supervisory committee shall be held in such manner that the term of office shall be three (3) years and shall be staggered so that insofar as possible an equal number of such terms shall expire each year. Unless sooner suspended or removed as provided for in the California Credit Union Law or these bylaws (or except as provided for an initial term for a seat established upon the expansion or reduction in the number of members of the supervisory committee), members of the supervisory committee shall serve from the time of their election for a period of three (3) years and until their successors shall have been elected.

**SECTION 3. CHAIR AND SECRETARY.** The Supervisory Committee members shall choose from their number a Chair and a secretary. The office of Chair and secretary may be held by the same person.

**SECTION 4. MEETINGS.** The Supervisory Committee shall meet when and as frequently as they, from time to time, may determine by a majority vote, but they shall meet at least once each quarter.

**SECTION 5. VACANCIES.** Any vacancy on the Supervisory Committee shall be filled by the remaining members of the committee, but such committee person so elected shall hold office only until the next annual meeting of members, at which meeting a committee person shall be elected to complete the unexpired term (unless the term expires at the time of such meeting).

**SECTION 6. JOINT MEETINGS.** Upon their own initiative or at the request, by a majority vote, of either or both the Credit Manager or the Board of Directors, the Chair of the Supervisory Committee shall call a joint meeting of the members of the Supervisory Committee, Board of Directors, and Credit Manager of this credit union. Notice of said meeting shall be transmitted forthwith by the secretary of this credit union.

**SECTION 7. POWERS OF COMMITTEE.** The Supervisory Committee shall have the power:

- a. To suspend at any time by unanimous vote, at a meeting called for the purpose, the Credit Manager, the Board of Directors or any member thereof, or any officer;
- b. Within seven (7) days after any such suspension, to cause notice of a special meeting to be given the members to determine whether to affirm such suspension and vacate the office, or to reinstate such member or members;
- c. Fill vacancies in the supervisory committee until the next annual meeting of the members;
- c. By a majority vote, to call a meeting of the members to consider any violation of the California Credit Union Law or any practices of the credit union which, in the opinion of the Supervisory Committee, are unsafe or unauthorized;
- d. To inspect the securities, cash, and accounts of this credit union at any time, or engage in such audits as it deems necessary, and submit reports of those audits to the Board of Directors; and
- e. To declare vacant, by majority vote, any office of a member of the Supervisory Committee if such member is absent from three consecutive regular meetings of the Supervisory Committee, unless excused therefrom, or is completely inactive as a member of the Supervisory Committee for a consecutive 12-month period.

**SECTION 8. DUTIES OF THE COMMITTEE.** It shall be the duty of the Supervisory Committee:

- a. At least once a year, to make or cause to be made by an independent auditor of their selection, an audit of the books and records and an examination of the business and affairs of this credit union for the year, and to make a full report of its assets and liabilities, receipts, and disbursements to the Board of Directors;
- b. To cause such report to be read at the annual meeting of members and filed with the records of this credit union;
- c. To cause the accounts of members to be verified with the records of this credit union from time to time in accordance with such regulations as the Commissioner may from time to time promulgate, not less frequently, however, than on an annual basis unless a different period is permitted by regulation

## ARTICLE IX

### CREDIT MANAGER

**SECTION 1. CREDIT MANAGER.** This credit union shall employ a Credit Manager subject to approval by the Board of Directors. He or she shall be a natural person. The Credit Manager may not be a member of the Supervisory Committee or of the Board of Directors. The Credit Union may from time to time designate one or more assistant credit managers, none of whom may be a member of the Supervisory Committee or Board of Directors, who may serve in the capacity of credit manager during a prolonged absence or unavailability of the credit managers which impedes normal operations.

**SECTION 2. DUTIES.** The Credit Manager shall supervise the lending of the credit union in accordance with the loan policies established by the Board of Directors under the direction and supervision of the Chief Executive Officer and in accordance with applicable state and federal law and regulations. He or she shall supervise the activities of any loan officers which may be appointed.

**SECTION 3. LOAN OFFICER APPOINTMENT.** The Credit Manager may, with the approval of the Chief Executive Officer, appoint one or more loan officers who shall be authorized to approve loan applications within the limits set by the Credit Manager, but in no event shall exceed the loan limits of California Credit Union Law. Any such loan officer appointed shall be a member of the credit union, but shall not be an officer or director of the credit union. Any loan officer appointed will provide the Credit Manager with a record of each loan, extension of credit or any agreement to extend credit which is approved or denied by such loan officer within thirty (30) days of such approval or denial.

### **SECTION 4. TERMS FOR APPROVING OBLIGATIONS WITH CREDIT UNION MEMBERS.**

- a. The Credit Manager or any loan officer shall inquire into the character and financial condition of each applicant for the creation of an obligation with the credit union as defined in the California Credit Union Law, and his or her sureties, if any, to ascertain his or her ability to repay fully and promptly the obligation incurred by him or her. The Credit Manager or loan officers shall endeavor to assist applicants in solving their financial problems.
- b. The amount of each obligation with a credit union member, the time and purpose for which it is granted, the form and value of the security therefore, and the terms of its repayment, shall be ascertained by the Credit Manager, subject to policies determined by the Board of Directors and the provisions of applicable laws and regulations.

**SECTION 5. APPROVAL OF OBLIGATIONS.** No obligation, extension of credit, any agreement to extend credit, renewal, extension or refinancing of any loan shall be made unless the application shall have the approval of the Credit Manager, except for such obligations as may

be approved by a loan officer as provided in this Article. The preceding sentence regarding approval of obligations, and extensions of credit, does not apply to the creation of an obligation in accordance with a credit scoring program, preapproved credit program, or similar program, if the program was adopted by the Board of Directors, or Credit Manager and complies with a written lending policy on programs of that type established by the Board of Directors in accordance with Section 15100 of the California Credit Union Law.

**SECTION 6. EXTENSION OF CREDIT.** The Credit Manager or loan officer may approve in advance, upon its own motion or at the request of any member, the extension of credit for such member. Following such approval, extensions of credit may be made within the limits of such extension without further approval by the Credit Manager or loan officer, so long as the aggregate total of such loans does not exceed the amount approved. Extensions of credit shall be reviewed by the Credit Manager or loan officer from time to time and shall expire if the member becomes ineligible for a loan or becomes more than ninety (90) days delinquent in his obligations to this credit union.

**SECTION 7. PROHIBITIONS.**

a. Loan Officers

1. A loan officer shall not have the power to approve membership applications.
2. A loan officer shall not be permitted to approve any extension agreement of any delinquent loan or the refinancing of any delinquent loan except as prescribed in regulations prescribed by the Commissioner.
3. A loan officer shall not be a member of the Supervisory Committee or the Board of Directors.
4. A loan officer may not be authorized to sign disbursement checks approved only by such loan officer.
5. A loan officer shall not make a loan to any person not admitted to membership pursuant to California Credit Union Law.

b. Credit Manager

1. The Credit Manager shall not be authorized to disburse or have authority to authorize any person to disburse loans.
2. The Credit Manager shall not be permitted to authorize loans to other credit unions.
3. The Credit Manager shall not make loans to any person not admitted to membership pursuant to California Credit Union Law.



4. The Credit Manager shall not be a member of the Supervisory Committee or the Board of Directors.

**SECTION 8. APPEAL TO BOARD OF DIRECTORS.** Any applicant for a loan, extension of credit, an agreement to extend credit, renewal, extension, or refinancing of any loan, may appeal from the decision of the Credit Manager or any loan officer, to the Board of Directors.

## ARTICLE X

### CERTIFICATES

**SECTION 1. RIGHT TO ISSUE CERTIFICATES.** This credit union may receive money and issue certificates for funds for the money so received.

**SECTION 2. INTEREST.** Money paid on certificates for funds shall earn interest from the first day such funds are received. The rate of interest for money so received shall be fixed from time to time by the Board of Directors.

**SECTION 3. FORM OF CERTIFICATES.** Certificates for funds shall specifically set forth the following information:

- a. The amount received,
- b. The rate of interest to be paid,
- c. The date the money is received, and
- d. The date the amount and interest are payable.

**SECTION 4. RECEIPT AND PAYMENT.** Money paid to or paid by the credit union and interest accrued on a certificate for funds or promissory notes shall be evidenced by entries in the holder's passbook, on the certificate or note itself, or on a statement of account, as determined by the Board of Directors. When a passbook or the certificate or note is used for such entries, the holder's official permanent record for all transactions shall be the entries in the passbook or on the certificate or note. Every entry in the passbook or on the certificate or note shall identify the person receiving or paying funds on behalf of this credit union and the amount of money paid or received. When a statement of account is used, the statement will be the holder's official permanent record, will itemize all transactions, and shall be issued to each holder at least quarterly unless otherwise approved by the Commissioner of the Department of Financial Protection and Innovation.

**ARTICLE XI****DIVIDENDS AND INTEREST REFUNDS**

**SECTION 1. DIVIDENDS - DECLARATION, FREQUENCY AND PAYMENT OF.** The Board of Directors may determine that dividends may not be paid on share account balances, other than special shares, with less than the minimum amount of one hundred dollars (\$100.00).

**SECTION 2. INTEREST REFUNDS - DECLARATION, FREQUENCY AND PAYMENT OF.** The Board of Directors may authorize the payment of interest refunds to borrowing members based on a percentage of the total interest paid by the borrowing members at the end of any fiscal period for which interest refunds are authorized. Interest refunds shall be recorded as a reduction of interest collected on loans during the period to which the refunds apply. No borrowing member shall be eligible to receive an interest refund unless the member is in good standing at the end of the period for which the interest refund is authorized.

**ARTICLE XII**  
**INDEMNIFICATION**

**SECTION 1. INDEMNIFICATION.**

The Credit Union shall indemnify to the fullest extent permitted by the law of the State of California and federal law the current officials, former officials, current employees and former employees of the Credit Union for any liability asserted against them and expenses reasonably incurred by them in connection with proceedings to which they were, are or may become parties by reason of the fact that they were or are an official or employee of the Credit Union.

To the extent permitted by applicable law, the Credit Union may advance expenses of the individuals indicated above in connection with any such proceedings in advance of their final disposition pursuant to the terms set forth in a resolution of the Board of Directors or in a contract with any such individual.

The Credit Union may purchase and maintain insurance on behalf of individuals indicated above against any liability asserted against them and expenses reasonably incurred by them by reason of the fact that they were or are an official or employee of the Credit Union to the extent such insurance is permitted by applicable law.

**SECTION 2.LIMITATIONS.**

Indemnification and/or advancement of expenses pursuant to this Article is subject to any limitations under the law of the State of California or federal law, including but not limited to 12 C.F.R. Part 750.

**SECTION 3.DEFINITIONS.**

The term “official” in this Article means a person who is a member of the Board of Directors, credit committee, Supervisory Committee, pension committee or other committee established by the Board of Directors (including elected or appointed loan officers or membership officers). The term “proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.

## ARTICLE XIII

### GENERAL

**SECTION 1. LAW AND REGULATIONS.** All power, authority, duties and functions of the members, directors, officers and employees of this credit union, pursuant to the provisions of these bylaws, shall be exercised in strict conformity with the provisions of applicable laws and regulations of the Articles of Incorporation and bylaws of this credit union.

**SECTION 2. REMOVAL FROM OFFICE.** Notwithstanding any other provisions in these bylaws, any director, Credit Manager, Supervisory Committee member or officer of this credit union may be removed from office by the affirmative vote of two-thirds of the members present at a special meeting called for the purpose, but only after an opportunity has been given them to be heard.

**SECTION 3. DISQUALIFICATION.** No director, Credit Manager, Supervisory Committee member, officer, agent or employee of this credit union shall, in any manner, directly or indirectly, participate in the deliberation upon or the determination of any questions affecting his or her pecuniary interest or the pecuniary interest of any corporation, partnership or association (other than this credit union) in which he or she is directly or indirectly interested. In the event of the disqualification of any director respecting any matter presented to the Board of Directors for deliberation or determination, such director shall withdraw from the meeting during such deliberation or determination, and in such event, the remaining directors present at the meeting, if constituting a quorum with the disqualified director or directors, may exercise with respect to such matter, by majority vote, all the powers of the Board of Directors. In the event of the disqualification of the Credit Manager or any member of the Supervisory Committee, such committee member or Credit Manager shall withdraw from the meeting during such deliberation or determination.

**SECTION 4. CURRENT COPIES.** There shall be kept on file in the office of this credit union, for the use and guidance of its directors, officers and committee members:

1. A current copy of the California Credit Union Law;
2. A current copy of the Rules and Regulations of the Department of Financial Protection and Innovation of the State of California relating to credit unions;
3. A copy of the Articles of Incorporation and Bylaws of this credit union;
4. A copy of the Non-Profit Mutual Benefit Corporations Law.

**SECTION 5. RECORDS.** Copies of the organization papers of this credit union, its bylaws and any amendments thereto, returns of nominations and elections, and proceedings of all regular and special meetings of the members and directors, shall be recorded in the minute books of this credit union. The minutes of the meetings of the members, the Board of Directors, and the

committees shall be signed by their respective Chair or presiding officer and by the persons who serve as secretaries of such meetings.

**SECTION 6. RECORDS OPEN TO INSPECTION.**

(a) All books of account and other records of the Credit Union shall be available to the directors and Supervisory Committee members of the Credit Union, and to duly authorized representatives of the government of the State of California or the United States.

(b) Members are entitled to request access to the membership list and the books of account and other records of the Credit Union, subject to applicable laws and/or regulations and only to the extent reasonably related to their interest as members. Further, the credit union shall prepare, and every member shall receive, upon request, a copy of the credit union's current statement of financial condition. Access to the membership list of the credit union shall be limited to requests reasonably related to members' interests as members, and due to applicable privacy laws, shall be limited to the credit union transmitting communications related to such membership interest on behalf of requesting members at such members' expense and through methods reasonably approved by the credit union and designed to protect members' privacy interests.

**SECTION 7. LOCATOR CHARGE.** Each member shall keep the credit union informed of his current address. In the event a member fails to do this, a charge may be made to the member's share account for the actual cost of necessary locator service incurred in determining such address provided, however, that such charge shall not exceed five dollars (\$5.00). Such charge shall be made only for amounts paid to a person or concern normally engaged in providing such service and shall be made against the account or accounts of any one member no more than once in any 12-month period.

**ARTICLE XIV****DISSOLUTION**

**SECTION 1. DISSOLUTION.** This credit union may be dissolved in accordance with the provisions relating to dissolution as set forth in the California Credit Union Law.

## ARTICLE XV

### AMENDMENTS TO ARTICLES OF INCORPORATION AND BYLAWS

**SECTION 1. ARTICLES OF INCORPORATION.** Amendments to the Articles of Incorporation of this credit union may be adopted by the affirmative vote or written consent of the members, except as otherwise provided by the California Credit Union Law. However, membership approval shall not be required for any amendments to the Articles of Incorporation specifically exempted from the requirement of membership approval by the California Credit Union Law.

**SECTION 2. BYLAWS.** Subject to the right of the members to amend these bylaws, amendments to said bylaws, other than an amendment changing the authorized number of directors or relating to membership voting by mail, may be adopted by the affirmative vote of a majority of the Board of Directors at any duly held meeting thereof. An amendment changing the authorized number of directors may be adopted by the written vote of the members, provided notice of the meeting has been given in accordance with the provisions of Article IV, Section 4. of these bylaws and provided such notice has contained a copy of the proposed amendment. An amendment relating to membership voting by mail shall be submitted to all members for their written vote which shall be certified by the Chair and Secretary as to the manner by which it was submitted and the result of the voting. Proxy voting shall not be permitted in regard to any amendment submitted to the members for their written vote.

**SECTION 3. APPROVAL OF COMMISSIONER.** Proposed amendments to the Articles of Incorporation of this credit union and these bylaws shall be submitted to the Commissioner of the Department of Financial Protection and Innovation, in accordance with the provisions of the Rules and Regulations then in effect relating to credit unions.



ARTICLE XVIEMERGENCY BYLAWS

**SECTION 1. GENERAL.** The emergency provisions outlined in this section shall be operative when a quorum of the directors cannot be readily convened for action due to any of the following events or circumstances: a natural catastrophe (including, but not limited to, a hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, epidemic, pandemic, or disease outbreak), or, regardless of cause, any fire, flood, or explosion; an attack on this state or nation by an enemy of the United States, or upon receipt by this state of a warning from the federal government indicating that an enemy attack is probable or imminent; an act of terrorism or other manmade disasters resulting in extraordinary levels of casualties or damage or disruption severely affecting the infrastructure, environment, economy, government functions, or population, including, but not limited to, mass evacuations; or a state of emergency proclaimed by a governor or by the President.

**SECTION 2. LINES OF SUCCESSION.** During an emergency as defined in Article XVI Section 1, this Credit Union may modify lines of succession to accommodate the incapacity of any director, officer, employee, or agent resulting from the emergency.

**SECTION 3. EMERGENCY ACTIONS.** During an emergency, as defined in Article XVI Section 1 this Credit Union may, as necessary or appropriate to conduct the corporation's ordinary business operations and affairs, respond to the emergency, mitigate the effects of the emergency, or comply with lawful federal and state orders:

- (d) give notice to a director or directors in any practicable manner under the circumstances, including, but not limited to, by publication and radio, when notice of a meeting of the Board of Directors cannot be given to that director or directors in the manner prescribed by these bylaws;
- (e) deem that one or more officers of the Credit Union present at a board meeting is a director, in order of rank and within the same rank in order of seniority, as necessary to achieve a quorum for that meeting;
- (f) hold member meetings solely by electronic transmission, electronic video screen communication, conference telephone, or similar remote communication;
- (g) Such other action as determined by the Board of Directors, unless such action requires a vote of the members.

**SECTION 4. QUORUM.** A total of two (2) directors shall constitute a quorum for the transaction of business during an emergency as defined in Article XVI Section 1 of these bylaws.

**SECTION 5. TERMINATION.** Subject to Corporations Code section 7151(g)(3), within a reasonable time after the operative conditions listed in Article XVI Section 1 cease to exist, the Board of Directors shall declare the emergency to be over and the Credit Union shall resume normal business operations.



**COAST CENTRAL CREDIT UNION**  
**BYLAWS**  
**ADDENDUM A**

1. a. Officers, directors, committee members and employees of credit union.
- b. Officers, directors and employees of leagues and associations of credit unions and their subsidiary corporations.
- c. Members of credit unions who are recommended for membership in this credit union by officers of their own credit union.
- d. Persons in the immediate family of members of this credit union.
2. a. Organizations and associations consisting principally of persons who are themselves eligible for membership in this credit union.
3. a. Groups of employees of a common employer who are eligible for membership under the provisions of Section 15451.
- b. Small employee groups outside of the 25-mile distance from the credit union's principle office of Eureka, California, will include the County of Humboldt.
- c. Corporations, partnership, sole proprietorships and other unincorporated associations which employ groups of employees who are eligible for membership in the credit union under the provisions of Section 15451.
4. a. Employees of the Pacific Lumber Company and its subsidiaries.
- b. Residents and persons working in the community of Scotia.
5. a. Members and employees of the Community Health Association (Hoopa, California) and their immediate families.
- b. Employees of the Klamath Trinity Unified School District.
- c. Persons living within the Klamath Trinity Unified School District.
6. a. Credit unions organized under either federal or state laws appertaining to credit unions.
7. a. Geographical area from which this credit union will take in small employer groups outside of the 25-mile distance from the credit union's principle office of Eureka, California, will include the counties of Humboldt, Del Norte and Trinity.

8. a. Employees and elected and appointed officials of Humboldt County and of incorporated cities within the named county.
9. a. Employees, officers and directors of special districts and civil divisions of Humboldt County and incorporated cities within the named county.

Civil Division to Mean: "Any group receiving funds from cities, special districts or counties with state and federal participation by payroll checks or warrants, excluding any persons classified as state or federal employee."

10. a. Volunteer firemen, police, marine posses, and members of other auxiliary units for the above-named counties and of incorporated cities or special districts or civil divisions within the named counties.
11. a. Employees and directors of private and parochial schools in Humboldt County, California, and volunteers who work at the above schools under supervision of the school staff.
12. a. Employees and Boards of Directors of hospitals, facilities licensed as skilled nursing facilities by the State Health Department, clinics and laboratories and other medical facilities in Humboldt County.
13. a. Volunteers who have worked at least six months at the above hospitals and skilled nursing facilities and Blood Bank under the supervision of the hospital or skilled nursing facilities or Blood Bank staff.
14. a. Medical doctors and their employees who work in Humboldt County. (The term "medical doctor" to include any person with the title of doctor and engaged in the service of treating patients.)
15. a. Employees, members of the Board of Directors of the Northern California Community Blood Bank.
16. a. Employees of Eureka Physical Therapy and E. J. Hawkins Medical Supply, Inc., in Eureka, California, who perform services and provide supplies for the above medical doctors, hospitals, nursing facilities and clinics in Humboldt County, California.
17. a. Unremarried spouses of persons who died while within the field of membership of this credit union.
18. a. Retirees, pensioners, or annuitants and surviving spouses of any groups eligible for this credit union with the exception of volunteers.
19. a. Full-time registered students of parochial, primary and secondary schools in Humboldt County, California. The family of such members are not eligible for

membership, and each student membership will expire within one year after the student leaves such school.

- \*\* 20. a. Full-time students enrolled in the Humboldt State University and associations of such students. The membership of such individuals will be temporary and will be limited to the time such individuals are enrolled as full-time students plus a reasonable time thereafter to provide for the orderly settlement of accounts. The Commissioner has authorized opening the eligibility periods for students at the Humboldt State University for one year commencing with the date of adoption of this amendment (date of completion of the merger) to be extended only upon written consent of the Commissioner. The family and relatives of the students will not be eligible for membership.

**\*\* Changed to permanent status (see Department of Corporations letter of 7-11-84).**

21. a. People enrolled in special classes or post graduate work at the Humboldt State University or its extension programs would be eligible providing they are furthering their education in their field; working on their Masters or Doctorate Degree; or gainfully employed while furthering their education at the University.
22. a. Employees and Board of Directors or governing body of any transit system in Humboldt County.
23. a. Members of all subordinate granges in Humboldt County, California.
24. a. Employees, retirees and widowers of Mad River Plywood Corporation and members of Mad River Plywood Federal Credit Union (10/16/79).
25. a. Employees, retirees and widowers of Medent Service in Arcata, California (10/16/80).
26. a. Persons living within Trinity County, or a member of a subordinate grange of Trinity or Shasta County, members of their immediate families and organizations of such persons.
27. a. Persons residing or working in Del Norte County.
28. a. Members and employees of North Coast Co-op, Inc.
29. a. Family members of members and persons residing in the same household of members (Amendment #1).
30. a. Employees of Mail Haul, Inc., located in Mendocino and Humboldt County.
31. a. Employees and general members of Humboldt Builders Exchange, Inc.

- 32. a. All non-profit organizations and associations located within Humboldt, Del Norte and Trinity counties, including officers, directors, employees and members of said organizations and associations, subject to approval of the Commissioner of the Department of Financial Protection and Innovation.
- 33. a. The residents of and people working in the following cities, communities, and neighborhoods are eligible for membership in this credit union:

The City of Eureka, including the communities and/or neighborhoods of:

Pigeon Point  
 Myrtle town  
 Cutten  
 Ridgewood Heights  
 Westgate  
 Elk River  
 Fields Landing  
 Humboldt Hill  
 King Salmon  
 Rosewood  
 Pine Hill  
 Fairhaven  
 Samoa  
 Manila

The City of Trinidad, including the communities and/or neighborhoods of:

Moonstone  
 Westhaven  
 North Trinidad

The City of Rio Dell

The community and/or neighborhoods of:

McKinleyville

The City of Arcata, including the communities and/or neighborhoods of:

Curtis Heights  
 Golf Course Subdivision  
 Graham Road  
 Jacoby Creek  
 Fickle Hill  
 Stromberg Subdivision

The City of Fortuna, including the communities and/or neighborhoods of:

Loleta  
 Fernbridge

The City of Ferndale, including the communities and/or neighborhoods of:

Unincorporated area ranches with a Ferndale address

The City of Blue Lake, including the communities and/or neighborhoods of:

Essex  
 Korbel

All employees who work for an employer located at or within a three-mile radius of the Bayshore Mall, Eureka, California.

- b. All corporations, partnerships, sole proprietorships and other unincorporated associations which operate a retail business facility at or within a three-mile radius of the Bayshore Mall, Eureka, California.
- 34. a. Employees of Miller Rellim Redwood Employees Credit Union and Rellim Redwood Company and members of their immediate families (see 1.d and 29.a; includes all relatives and cohabitants).
  - 35. a. Persons residing or working in Humboldt County.
  - 36. a. Persons residing or regularly working in Mendocino County within 25 miles of the northern county line between Mendocino County and the counties of Humboldt and Trinity. Towns within the 25 mile area include, but are not limited to: Laytonville, Cummings, Covelo, Piercy, Legget, Hales Grove, Rockport, Westport, Vista Point, Branscomb, Dos Rios, Bell Springs.