



Alhambra
CREDIT UNION

Focused on you

69th Annual Membership Meeting

July 30, 2025, at 3:30 P.M.

Online Virtual Meeting

Meeting Agenda

Presented by:

Cathy Poplin-Lutz, Board Chairman

1. Welcome and Quorum Determination
2. 2023 Annual Meeting Minutes Approval
3. Chairman's Report in the 2025 Annual Report
4. Treasurer's Report in the 2025 Annual Report
5. Supervisory Committee Report in the 2025 Annual Report
6. CEO Report in the 2025 Annual Report
7. Election
8. Donation
9. Adjournment

Alhambra Credit Union

67th Annual Meeting Minutes

April 13, 2023

- I. **Call Meeting to Order** - Chairman Jesse Linderman called the meeting to order at 6:06 p.m. by virtual session by zoom. There were 36 members present and it was confirmed there was a quorum. Jesse introduced the Board of Directors, the Supervisory Committee and Eddie Moraga. Members were able to access the program containing the Minutes from the 2023 Annual Meeting; The Treasurer's report, Supervisory Committee, Credit Manager and Financial Statements as of December 31, 2022, are available online.
- II. **Introductions** - Eddie introduced the staff, and their roles in the Credit Union. Eddie thanked everyone for joining the meeting.
- III. **Approval of Annual Meeting Minutes** - A motion was made by Lynn Moore, second by Jacqueline Espinoza, to approve the 2022 Annual Meeting Minutes as submitted. Motion carried unanimously.

Chairman's Report - Jesse Linderman welcomed everyone to the 67th Annual Meeting. In 2022 Alhambra Credit Union had another productive year. Jesse thanked the credit union's leadership and staff for their hard work. He also thanked the membership for their support. Jesse mentioned we are continuing loan growth and new services for our members. Jesse reminded the membership there are volunteer opportunities and to contact Eddie Moraga for more details.

Treasurer's Report – John Durbin reported on the 2022 financial condition. The treasurer's report is available online for everyone to follow or review later. John mentioned 2022 looked to be a great year.

Supervisory Committee Report – Cathy Poplin-Lutz referred to her Supervisory Committee report online. The role of the Supervisory Committee is vital to Alhambra Credit Union. We serve to protect the interest of our members, and we assume responsibility by ensuring that a quality system of checks and balances is maintained. Our committee consisted of four members appointed by the Board of Directors. Cathy explained the primary duties and responsibilities of the supervisory committee. In 2022, the committee inspected the corporate credit card, examined accounts payable and reconciled visa gift cards. There were no discrepancies. The certified accounting firm of Doeren Mayhew CPAs performed the annual Supervisory Committee audit to ensure compliance with state and federal regulations.

President Report – Eddie welcomed everyone to the 67th Annual meeting. 2022 was full of milestones.

2022 was a productive year for your credit union. Eddie stated we implemented new products and services to enhance our members' lifestyles.

- Online banking upgrade
- Zelle Integration
- Text Messaging communication

- New webpage with educational content for members to better understand our services.
- A new mobile debit card experience called Cardhub.

Eddie spoke about the conversion to a new core processor, which has made most of these services possible to deliver to you.

In addition, to bringing new technology and convenient services, your credit union has also been growing. In 2022 we had 24% Loan growth, 5% Share growth, and 7% Member Capital growth. We also maintained a stellar audit performance.

In 2023 we will continue to build on the success of 2022 by implementing a new Credit Card processor, adding Instant Issue Debit Cards, and developing our new e-branch to be able to meet your demands.

What I am most excited about in 2023 is building on the Alhambra Member Experience. We are committed to ensuring that every interaction with the credit union is the best we can offer.

- IV. **Election of Directors** - Jesse Linderman opened elections for the Board of Directors by asking for nominations from the floor three times; there were none. A motion was made by Lynn Moore, second by John Durbin, to cast a unanimous ballot. Motion carried unanimously.
- V. **Door Prizes** – Sonia Cardona, thanked everyone in attendance and to show our appreciation. We randomly selected 15 members to receive a \$25.00 deposit to their account.
- VI. **Adjournment** - A motion was made by Jacqueline Espinoza, second by Jesse Linderman, to adjourn the meeting at 6:27 p.m. Motion carried unanimously.

Respectfully submitted by,

Attested by,

Jacqueline Espinoza, Secretary,

Cathy Poplin-Lutz, Chairman



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Board Chair Report

Welcome to the 69th Annual Meeting!

In 2024–25, Alhambra Credit Union achieved strong growth, increasing our assets while expanding both our loan portfolio and member services. These accomplishments reflect our commitment to delivering value and financial strength to our members.

If you're interested in shaping the future of our credit union, we invite you to volunteer—please get in touch with Eddie Moraga for more information.

Our continued success depends on your engagement—using and recommending our products and services—and on the expertise of our dedicated Board and staff. Together, we ensure that Alhambra Credit Union remains safe, strong, and member-focused.

We look forward to serving you in 2025–26 with offerings designed to support your financial well-being and lifestyle.

Looking Ahead: Our Goals for 2025–26

As we enter a new year, our focus remains on innovation, accessibility, and community impact. Key goals include:

- **Expanding Digital Services:** Launching enhanced mobile and online banking tools to improve convenience and security.
- **Growing Membership:** Reaching more individuals and families through targeted outreach and community partnerships.
- **Enhancing Financial Education:** Offering new workshops and resources to empower members with financial knowledge.
- **Sustainable Growth:** Continuing to strengthen our loan portfolio while maintaining sound financial practices.
- **Member-Centered Innovation:** Introducing new products and services tailored to evolving member needs.



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Community Impact

Alhambra Credit Union is proud to be a trusted partner in the communities we serve. In 2024–25, we:

- **Supported Local Initiatives:** Sponsored financial literacy programs in schools and community centers.
- **Volunteered Time and Resources:** Our staff contributed hundreds of volunteer hours to local nonprofits and events.
- **Promoted Economic Empowerment:** Offered small business loans and financial counseling to help local entrepreneurs thrive.
- **Strengthened Partnerships:** Collaborated with local organizations to address housing, education, and food security needs.

We believe that a strong community is the foundation of a strong credit union. In the year ahead, we will continue to invest in programs and partnerships that uplift and empower our members and neighbors.

Cathy Poplin-Lutz

Board Chair
Alhambra Credit Union



Alhambra Credit Union

Treasurer's Report Prepared by Jesse Linderman

Annual Meeting – July 2025

Dear Members,

It is my honor to present the Treasurer's Report for the fiscal year ending June 30, 2025. This report outlines the financial performance and condition of Alhambra Credit Union and reflects our continued commitment to sound fiscal management, member service, and institutional growth.

Financial Overview

As of June 30, 2025:

- **Total Assets** stood at **\$33,573,703**, an increase of **7.64%** compared to December 2024.
- **Net Loans** reached **\$21,867,775**, reflecting a year-to-date increase of **3.49%**.
- **Total Equity** amounted to **\$33,140,449**, up **6.95%** from the prior year-end.
- **Total Member Shares** rose to **\$30,137,421**, a growth of **7.51%**, underscoring strong member engagement and trust.

Loan Portfolio Performance

The Credit Union's lending portfolio demonstrated solid performance:

- **Used Vehicle Loans** increased by **\$700,890 (12.55%)**.
- **Home Equity Loans** rose by **\$582,689 (11.41%)**.
- **Personal Loans (PLC/Signature)** grew by **\$91,813 (13.11%)**.
- Modest declines were observed in **New Vehicle Loans (Indirect)** and **Mobile Home/RV Loans**, consistent with broader market trends.

Investment and Reserve Activity

- **Investments** totaled **\$9,690,963**, a **21.96%** increase from the prior year-end.
- **Allowance for Loan Losses** remained stable at **\$346,157**, reflecting prudent risk management practices.

Liabilities and Capital

- **Total Liabilities** amounted to **\$433,254**, more than doubling from the previous year due to increased operational obligations.
- **Undivided Earnings** and **Member Capital** each totaled **\$3,003,028**, reflecting a **1.58%** increase from December 2024.

We thank our members for their continued support and confidence in Alhambra Credit Union. We remain dedicated to safeguarding your financial interests and delivering value through responsible stewardship and service excellence.

Respectfully submitted,

Jesse Linderman

Treasurer

Statement of Financial Condition

POST-CLOSE



	Current Month Jun-2025	Prev Month May-2025	Inc(Dec) Jun-2025	Prev Year End Dec-2024	Inc(Dec) Jun-2025	%Inc(Dec) Jun-2025
ASSETS						
NEW VEHICLE LOANS	1,435,827	1,465,564	(29,737)	1,504,622	(68,796)	(4.57)
NEW VEHICLE LOANS INDIRECT	2,699,677	2,756,726	(57,050)	2,913,378	(213,701)	(7.34)
USED VEHICLE LOANS	6,284,785	5,970,192	314,593	5,583,895	700,890	12.55
USED VEHICLE LOANS INDIRECT	3,608,311	3,614,293	(5,981)	3,865,960	(257,649)	(6.66)
MOBILE HOME/RV LOANS	618,689	628,374	(9,685)	667,550	(48,861)	(7.32)
SHARE SECURED LOANS	26,032	27,747	(1,715)	58,422	(32,391)	(55.44)
PLC/SIGNATURE LOANS	791,897	770,691	21,206	700,084	91,813	13.11
COURTESY OVERDRAFTS	21,496	14,728	6,769	20,578	918	4.46
HOME EQUITY LOANS	5,689,408	5,546,969	142,439	5,106,719	582,689	11.41
VISA CREDIT CARD LOANS/VANTIV	669,047	659,911	9,136	677,983	(8,936)	(1.32)
INDIRECT LENDING FEES	22,608	23,685	(1,078)	31,099	(8,492)	(27.31)
NET LOANS	21,867,775	21,478,878	388,897	21,130,290	737,485	3.49
ALLOWANCE FOR LOAN LOSS	(346,157)	(346,283)	126	(355,533)	9,376	2.64
ACCOUNTS RECEIVABLE	458,100	254,474	203,625	248,507	209,593	84.34
NON EARNING INVESTMENTS	346,553	413,853	(67,300)	688,252	(341,698)	(49.65)
INVESTMENTS	9,690,963	10,334,352	(643,389)	7,946,289	1,744,674	21.96
ACCRUED INCOME INVESTMENTS	16,699	12,357	4,342	13,141	3,558	27.07
ACCRUED INCOME LOANS	73,041	73,886	(845)	75,767	(2,726)	(3.60)
NCU SHARE INSURANCE FUND	259,537	259,537	0	272,744	(13,207)	(4.84)
PREPAID EXPENSES	103,034	119,797	(16,763)	53,127	49,907	93.94
LAND	276,357	276,357	0	276,357	0	0.00
PROPERTY IMPROVEMENTS	791,465	791,465	0	780,736	10,729	1.37
BUILDING	676,242	676,242	0	676,242	0	0.00
ALLOW FOR DEPREC OF BLDG/IMP	(756,355)	(752,783)	(3,572)	(734,741)	(21,614)	(2.94)
Net Land & Building	987,710	991,282	(3,572)	998,595	(10,885)	(1.09)
FURNITURE & EQUIPMENT	793,005	792,203	803	783,130	9,875	1.26
ALLOW FOR DEPREC OF FURN/EQUIP	(676,558)	(674,063)	(2,495)	(662,410)	(14,149)	(2.14)
Net FF&E	116,447	118,139	(1,692)	120,720	(4,274)	(3.54)
Total Fixed Assets	1,104,157	1,109,421	(5,264)	1,119,315	(15,158)	(1.35)
TOTAL ASSETS	33,573,703	33,710,274	(136,571)	31,191,900	2,381,803	7.64
LIABILITIES AND EQUITY						
ACCOUNTS PAYABLE	106,372	100,728	5,644	60,046	46,326	77.15
DIVIDEND PAYABLE	3,250	31,308	(28,058)	6,638	(3,388)	(51.04)
ALL OTHER LIABILITIES	323,632	251,799	71,833	137,138	186,494	135.99
TOTAL LIABILITIES	433,254	383,835	49,419	203,822	229,433	112.57
EQUITY						
SHARES	12,963,826	13,084,541	(120,715)	12,374,808	589,018	4.76
CHECKING ACCOUNTS	10,096,225	10,393,919	(297,694)	9,721,448	374,777	3.86
SHARES-IRA'S	314,167	319,737	(5,570)	311,369	2,798	0.90
IRA TERM SHARES	493,883	493,436	446	501,490	(7,608)	(1.52)
MONEY MARKET ACCOUNTS	1,510,431	1,535,043	(24,612)	1,469,329	41,102	2.80
TERM SHARES	4,758,889	4,512,668	246,221	3,653,407	1,105,482	30.26
TOTAL SHARES	30,137,421	30,339,345	(201,924)	28,031,851	2,105,570	7.51
UNDIVIDED EARNINGS	3,003,028	2,987,094	15,934	2,956,227	46,801	1.58
MEMBER CAPITAL	3,003,028	2,987,094	15,934	2,956,227	46,801	1.58
TOTAL EQUITY	33,140,449	33,326,439	(185,990)	30,988,078	2,152,371	6.95
TOTAL LIABILITIES AND EQUITY	33,573,703	33,710,274	(136,571)	31,191,900	2,381,803	7.64

We certify, to the best of our knowledge and belief, this statement and related statements are true and correct and present fairly the financial position and the results of operations for the period covered.

President _____ Treasurer _____



Alhambra Credit Union
Supervisory Committee Report
Annual Meeting – July 2025

The Supervisory Committee plays a critical role in maintaining the integrity and accountability of Alhambra Credit Union. Appointed by the Board of Directors, the Committee is composed of four dedicated members who are entrusted with protecting the interests of our membership by ensuring that a strong system of internal controls and oversight is consistently upheld.

Committee Responsibilities

The Committee's primary responsibilities include:

- Engaging an independent certified public accounting firm to conduct the annual audit of the Credit Union's financial statements and internal records.
- Monitoring compliance with applicable state and federal regulations.
- Ensuring that the Board of Directors and Credit Union staff fulfill their fiduciary responsibilities with transparency and diligence.

Oversight Activities

In 2025, the Committee conducted focused reviews of several operational areas, including:

- Corporate credit card transactions
- Accounts payable processes
- Reconciliation of Visa gift cards
- Additional internal control procedures

All findings were satisfactory, and no discrepancies were identified.

The annual audit was conducted by the independent accounting firm **Doeren Mayhew CPAs**, which confirmed the Credit Union's compliance with all relevant regulatory requirements and accounting standards.

Member Engagement

Members with experience in auditing or accounting who are interested in contributing to the Credit Union's oversight efforts are encouraged to consider volunteering for the Supervisory Committee. Interested individuals may contact **Eddie Moraga** at **602.246.5120** for more information.

Respectfully submitted,

Jackie Espinoza

Chairperson, Supervisory Committee



President's Annual Report to the Membership

Fiscal Year 2024–2025

Prepared by Eddie Moraga, President/CEO

A Message from the President

Dear Members,

As we reflect on the 2024–2025 fiscal year, I want to thank you—our members—for your continued trust and partnership. This year has been one of meaningful progress, thoughtful innovation, and deepened community connection.

Together, we've grown stronger. We've expanded access to financial tools that empower your goals, strengthened our credit union's financial foundation, and invested in the people and partnerships that make Alhambra Credit Union a trusted part of your life.

We've modernized how we serve you—introducing new digital services, enhancing security, and improving convenience—while never losing sight of the personal touch that defines who we are.

We've also stood by our values. Whether through community events, student support, or local partnerships, we've shown up for the neighborhoods we serve. And we've celebrated the people—our staff, board, and volunteers—who make this work possible every day.

Looking ahead, we're excited to build on this momentum. Our goals for the coming year are bold and member-driven: to launch flexible rewards and digital card issuance, to grow our lending programs, to deepen financial education, and to continue investing in the safety, accessibility, and excellence of our services.

This is your credit union. And everything we do—every decision we make—is guided by our commitment to you.

Thank you for being part of our journey. We're proud to serve you, and we're just getting started.

With appreciation,
Eddie Moraga
President/CEO
Alhambra Credit Union



Financial Highlights

We maintained a strong financial position throughout the year:

- **Total Assets** grew to **\$33.57 million**, a 3.22% year-over-year increase.
- **Loan Portfolio** reached **\$21.87 million**, with consistent growth and low delinquency outside of two isolated home equity cases.
- **Net Worth Ratio** held steady at **8.94%**, approaching our 9% target.
- **Return on Assets** improved to **0.59%** by June 2025.
- **Loan Yield** and **Investment Yield** exceeded targets at **7.23%** and **2.55%**, respectively.

Member-Focused Innovations

We introduced and enhanced several services to better serve our members:

- **Message Pay** saw a 16% increase in usage year-over-year.
- **Credit Sense** launched with 67 members enrolled.
- **ATM Upgrades** and **Instant Issue Implementation** improved convenience and security.
- **Digital Issuance** and **Flexible Rewards** are in development.

Community Engagement

- Participated in **Front Porch Friday**, **Cordova Fall Festival**, and **Arizona Credit Union Week**.
- Hosted Alhambra Credit Union 1st Annual Truck “n” Treat event at the Phoenix Office.
- Partnered with **North Glenn Square** for a holiday toy drive.
- Supported the **Verrado BSU Club** and other student-focused initiatives.

Staff & Leadership Recognition

- Celebrated milestone anniversaries for Erma Frank (27), Kristin Moraga (24), Eddie Moraga (20) .
- Recognized **Camille Roloff** as a **2025 Young Professional Lead**.
- Supported **all Team members** through their leadership journey.



Looking Ahead: Our Goals for 2025–2026

As we prepare for the future, our strategic goals are focused on growth, innovation, and deeper community impact:

1. **Digital Transformation**
 - Launch **Digital Card Issuance** and **Flexible Rewards** programs.
 - Expand **Credit Sense** enrollment and integrate personalized financial coaching.
2. **Operational Excellence**
 - Finalize and implement outcomes from the **2025 Planning Session**.
 - Continue modernizing the **Phoenix Office** to enhance member experience and safety.
3. **Financial Strength**
 - Reach and maintain a **Net Worth Ratio above 9%**.
 - Grow the loan portfolio with a focus on **auto lending** and **home equity** products.
4. **Community & Member Engagement**
 - Increase participation in **local events** and **financial literacy programs**.
 - Strengthen partnerships with schools, nonprofits, and neighborhood associations.
5. **Staff Development**
 - Expand **training and certification** opportunities for staff and board members.
 - Foster a culture of recognition, wellness, and professional growth.

In Closing

Thank you for your continued trust and support. Together, we are building a stronger, more connected credit union—one that reflects the values and aspirations of our members and community.

ALHAMBRA CREDIT UNION ELECTION BALLOT
July 30, 2025

CANDIDATES FOR BOARD OF DIRECTORS (Four positions available)

Cathy Poplin-Lutz (incumbent)

Seasoned Arizona educator with extensive local, state, and national experience ranging from presenting with national experts, serving on boards and committees, and creating strategic policy and procedures. Implemented several large grant programs and demonstrated a deep knowledge of effective evaluation strategies for maximum results. Established solid connections and relationships with districts and charter schools throughout Arizona. Managed a high-performing team that established a high level of trust throughout Arizona. Possesses a deep understanding of the seismic changes occurring in education and its effect on 21st Century learners.

Jackie Espinoza (incumbent)

My name is Jacqueline Espinoza; I was born and raised in San Fernando, CA. I married my husband of 19 years, we have four children, and decided to move to Phoenix, Arizona, in July 2013. Arizona has been such a fantastic place for my family and me. I attended a nursing program in high school and obtained my CNA certification. It helped me maintain my first job in the nursing field at the age of 17. After graduating from high school, I immediately attended Concorde Career College and completed a vocational nursing program in September 2002. After graduating from Concorde Career College, I was offered a position in Case Management for the Women's Health Department at Northeast Valley Health Corporation in Valencia, CA. I worked for Northeast Valley for 12 years; I learned different areas, from maternity to the business office.

Write-In Candidate

BYLAWS FOR ALHAMBRA CREDIT UNION

Revised July 30th 2025

ARTICLE I NAME AND PLACE OF BUSINESS

Section 1.1 The name of this corporation shall be Alhambra Credit Union, and its principal place of business shall be in the city of Phoenix, County of Maricopa, and the state of Arizona.

ARTICLE II PURPOSE AND POWERS

Section 2.1 This credit union is incorporated as a not-for-profit co-operative. Its purpose shall be to create a source of credit at a fair and reasonable rate of interest, encourage habits of thrift among its members, and provide the opportunity for its members to use and control their savings for their mutual benefit. In this regard, credit unions organized in this State shall have all of the rights, powers, and privileges conferred by the laws of Arizona, and shall be subjected to the limitations and restrictions of the laws of Arizona.

ARTICLE III MEMBERSHIP

Section 3.1 Membership of this credit union shall consist of, and be limited, to employees, students, and parents of the following school districts: Alhambra Elementary, Agua Fria Union High School, Avondale Elementary, Estrella Mountain Community College, Litchfield Elementary, Littleton, Pendergast Elementary, Tolleson Elementary and Tolleson Union High School; governing boards of said school districts; employees of this credit union; immediate families of members of this credit union; individuals who are sponsored by members of this credit union; organizations or groups of members of this credit union; and individuals who live or work in Maricopa County.

Section 3.2 Applications for membership must be made in writing and each application must bear the approval of a member of the Board of Directors or a membership officer designated by the Board of Directors, and must be presented to the Board for action at its next meeting.

Section 3.3 A subscriber admitted to membership shall not become a member until qualified by paying any membership fee of a uniform sum set by the Board of Directors and subscribing and paying in full for at least one share of this credit union. The par value of shares shall be twenty-five dollars (\$25.00). A member may terminate membership and/or withdraw monies upon giving notice of intent of not more than 60 days as prescribed by the Board. A member may not terminate membership while a borrower, endorser, or guarantor of any loan due to this credit union.

Section 3.4 The credit union may charge membership fees and, from time to time, may establish and impose fees or fines or minimum balances which, in the opinion of the Board of Directors, are necessary and appropriate.

Section 3.5 Money transferred or paid into or out of member accounts shall be evidenced by the credit union by an appropriate receipt. No funds shall be paid out unless a member can show proper identification to prove account ownership. When a statement of account is used, the member's official permanent record for transaction shall be the statement of account. Statements of account shall be issued to members at such intervals as the Board may determine, except that statements of accounts shall be issued to all members at least annually following the close of the fiscal year.

Section 3.6 Upon the death of a member of this credit union, the account shall be disbursed to the joint owner (s), or disbursed by check to the estate of the member if there is no joint owner, by the end of the quarter following the date of death.

ARTICLE IV MEETING OF MEMBERS

Section 4.1 There shall be an annual meeting of members on a date designated by the Board of Directors. A notice of meeting shall be mailed, delivered, or distributed through inter-office mail to each member at least seven days before such meeting.

Section 4.2 Special meetings may be called by the Chairman of the Board of Directors or the Chairman of the Supervisory Committee. A special meeting shall be called within thirty (30) days of the receipt of a written request signed by twenty-five (25) members or 5 percent of the membership, whichever is greater. Notice of the special meeting shall be given as provided in Section 4.1 of the Article.

Section 4.3 Twenty (20) members shall constitute a quorum. If a quorum is not present on the date first designated for annual or special meetings of the credit union, the meeting shall recess for not more than fifteen (15) days, and a second notice shall be mailed, delivered, or distributed through inter-office mail to all members stating the time and place of the rescheduled meeting, and those members present at the recognized meeting shall constitute a quorum for the transaction of business. Meetings may be held in-person or virtually.

ARTICLE V ELECTIONS

Section 5.1 At least thirty (30) days prior to each annual meeting, the Chairman may appoint a nominating committee to nominate at least one (1) member for each vacancy.

Section 5.2 After nominations of the committee have been placed before the members, the Chairman shall call for nominations from the floor. When nominations are closed, tellers shall be appointed by the Chairman, ballots distributed, and the vote shall be determined by the plurality vote. Voting shall be by written ballot, except where there is only one nominee for each vacancy. Members may vote by absentee or mail ballot. Each member shall be entitled to one vote, regardless of shareholding.

ARTICLE VI BOARD OF DIRECTORS

Section 6.1 The Board of Directors shall have general management responsibility for the affairs, funds, and records of the credit union and shall be empowered to do all things prescribed by the laws of Arizona with respect to management of this credit union. The Board of Directors consists of a range of not less than five or more than seven directors, all of whom shall be members in good standing. Directors are elected for two-year terms, except that terms shall be staggered so that an approximately equal number expire each year, over a two-year period.

Section 6.2 Within thirty (30) days after each annual election, the Board shall elect from its own number a chairman, vice chairman secretary, and treasurer. The Board shall appoint a Pres./CEO to act as chief executive officer of the credit union and to be in charge of its operations. The Pres./CEO may not be a director.

Section 6.3 The Board shall adopt written policies of the conditions under which shares may be issued, transferred or withdrawn; loans made and repaid; and monies otherwise invested.

Section 6.4 The Board of Directors shall meet at a minimum of ten times per year. Regular or special meetings of the Board of Directors shall be held at such times and places as designated by the Board of Directors. The Chairman, or in his absence, the Vice Chairman, may call a special meeting of the Board of Directors at any time, and shall do so upon the written request of a majority of the directors. At any meeting, a majority of the number of directors shall constitute a quorum. A quorum shall be required to undertake any credit union business.

Section 6.5 If a director fails to attend regular meetings of the Board for three consecutive meetings, or otherwise fails to perform any of the duties devolving upon the position of a director, that office shall be declared vacant, unless excused for cause. The Board of Directors may, at its discretion, grant a leave of absence of up to six months for a director who is unable to attend meetings for reasons beyond his control.

Section 6.6 Any vacancy on the Board of Directors that causes the number of directors to fall below the minimum of five shall be filled by a vote of the majority of the remaining directors within sixty (60) days of vacancy. The members elected or appointed shall hold office only until the next annual meeting of the members of the credit union, at which time an election will be held to complete the unexpired term.

Section 6.7 Within thirty (30) days after each annual election, the Board shall appoint a Credit Manager as specified in Section 8.1.

Section 6.8 Within thirty (30) days after each annual election, the Board shall appoint a Supervisory Committee as specified in Section 8.3.

Section 6.9 Any vacancy on the supervisory committee that causes the number of members to fall below the minimum of three, or a vacancy in the position of Credit Manager, shall be filled within sixty (60) days. Those appointed by the Board to fill vacancies shall complete the unexpired term.

Section 6.10 The Board of Directors shall publish and make available to members an annual report which shall consist of, but not be limited to, reports of the President, Pres./CEO, Credit Manager, Supervisory Committee, other committees; and year-end financial statements.

ARTICLE VII OFFICERS

Section 7.1 The officers of this credit union shall be a Chairman, Vice Chairman, Secretary, Treasurer, and such other officers as may be appointed, elected, or authorized by the Board. The officers of the credit union shall have, subject to approval by the Board of Directors, responsibility for seeing that the credit union and its affairs are conducted according to the laws of this State and any rules duly adopted by the Superintendent of the Arizona Department of Financial Institutions.

Section 7.2 The Chairman shall preside at meetings of the members and the Board of Directors. The Chairman shall perform all other duties customarily pertaining to the office of Chairman as may be directed by resolution of the Board not inconsistent with the provisions of these bylaws.

Section 7.3 The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties of the Chairman and such other duties as the Board may from time to time prescribe.

Section 7.4 The Treasurer shall be custodian of the funds, securities, books of account, and all other valuable papers of the credit union. The Treasurer shall keep or cause to be kept a set of books containing in detail all of the financial transactions of the credit union. Within ten working days after the end of each month, the Treasurer shall prepare or cause to be prepared a detailed report showing the condition of the credit union as of the close of business on the last business day of such month, and submit it to the Board. The financial statements will also be posted at a conspicuous place in the office of the credit union where it shall remain until replaced by the report of the succeeding month. In the absence or temporary inability of the Treasurer to act, the duties of the Treasurer shall be performed during such period of absence or disability by another director, officer, or member qualified to act and duly authorized by the Board of Directors.

Section 7.5 The Secretary shall keep or cause to be kept correct records of all regular and special meetings of the members and of the Board of Directors, and such minutes shall be signed by the Secretary and attested by the President when approved by the Board. The Secretary shall give notice of all meetings of the members in the manner provided in Section 4.1, and shall perform or cause to be performed all other duties incident to that office. In the event of the absence or disability of the Secretary, the presiding officer shall appoint a temporary secretary who shall take minutes of the meeting and file them with the minutes of the credit union meetings.

ARTICLE VIII COMMITTEES

Section 8.1 Credit Manager

The Credit Manager shall be a member of this credit union and shall be appointed for a term of one year. Loans may be made to members in accordance with Board policies. All denials shall be reviewed by the Credit Manager on a continual basis. The reports of the Credit Manager shall be filed as permanent records of the credit union.

Section 8.2 Loans to officials of this credit union shall be made in accordance with Section 6-564 of the Arizona Revised Statutes. All applications for loans which exceed an aggregate of twenty-thousand dollars (\$20,000.00) on which an official of this credit union will be either a direct obligator, endorser, cosigner, or guarantor, shall be initially acted on by the Board of Directors.

Section 8.3 Supervisory Committee

The Supervisory Committee shall consist of three to five members, all of whom shall be members of this credit union. Committee members are appointed for one-year terms. By the unanimous vote of its members, the Supervisory Committee may call a special meetings of the credit union members to consider any violation of the bylaws, the State credit union laws, rules of the ~~Arizona Department of Financial Institutions~~, **Arizona Department of Insurance and Financial institution**, or to consider any credit union practice which the committee deems to be unsafe or unauthorized. Notice of any such special meeting shall be given in the manner provided in Section 4.1.

Section 8.4 The Supervisory Committee shall cause the accounts of all members to be verified with the records of the Treasurer from time to time and not less than once every two years.

Section 8.5

- A. The Supervisory Committee or the Board may suspend for cause, by a two-thirds majority of their membership, any director, officer, or member of a committee, and shall immediately notify such person in writing of the suspension and the reasons for the suspension.
- B. A suspended director, officer, or committee member may request a special meeting of the members to consider that suspension. The Board shall call a special meeting for that purpose not fewer than seven days, nor more than twenty-one days after that suspension, and that suspension shall be upheld or overturned by a majority of the members present. The suspended person is entitled to appear and be heard at the special meeting.
- C. In the absence of a request for a hearing, the suspension is deemed a removal from office. Approval of the suspension by the membership constitutes removal from office.
- D. Notwithstanding any other provisions of this section, the members of the credit union may suspend or remove any director or committee member at any annual meeting or special meeting of the members.

ARTICLE IX GENERAL PROVISIONS

Section 9.1 The officers, directors, committee members, and employees of the credit union shall not in any manner participate, directly or indirectly, in the deliberation or determination of any question affecting that person's pecuniary or other personal interest or the pecuniary interest of any organization, other than the credit union, in which the person is directly or indirectly interested.

Section 9.2 The officers, directors, committee members, and employees of the credit union shall hold in strictest confidence all transactions of the credit union with its members and all information respecting their personal affairs.

Section 9.3 All books of account and other records of the credit union shall at all times be available to the directors and committee members of the credit union and to any duly authorized representative of the Arizona Department of Financial Institutions.

Section 9.4 This credit union shall indemnify any and all of its directors, officers, and committee members against expenses incurred by them, including legal fees, or judgements or penalties levied against them in a legal action brought for actions or omissions alleged to have been committed by them while acting within the scope of the duties as a director or officer of the credit union, provided that the Board of Directors shall determine in good faith that such person did not act, fail to act, or refuse to act, willfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the actions.

ARTICLE X AMENDMENTS

Section 10.1 These bylaws may be amended as provided in the laws of the State of Arizona relating to the credit unions. No amendment shall become operative until approved by the Superintendent of the Arizona Department of Financial Institutions.

Amended by the Board of Directors on February 22, 2021