

**BELCO COMMUNITY CREDIT UNION  
BYLAWS**

**ARTICLE I  
NAME, LOCATION AND BUSINESS HOURS**

- Section 1. This Credit Union shall be known as Belco Community Credit Union.
- Section 2. The business of this Credit Union shall be transacted in the municipalities designated in the Articles of Incorporation of this Credit Union filed in the office of the Secretary of the Commonwealth of Pennsylvania.
- Section 3. The principal office of the Credit Union shall be located in Dauphin County, Pennsylvania. The location of the office within the County may be changed at any time by a resolution of the Board of Directors. Written notice of such change shall immediately be given to all members and to the Department of Banking.
- Section 4. The offices of the Credit Union shall be open for business during such hours and on such days as the Board of Directors shall determine.

**ARTICLE II  
MEMBERSHIP**

- Section 1. The membership of this Credit Union shall be as set forth in the Articles of Incorporation filed in the office of the Secretary of the Commonwealth of Pennsylvania.
- Section 2. Applications for membership shall be signed by the applicant and approved as herein provided by the Board of Directors or their designee. Applications for membership shall not be approved until the applicant has paid in at least one full share.
- Section 3. Every applicant approved for membership shall have purchased not less than one (1) share, the par value of which is set forth in the Articles of Incorporation. An optional entrance fee may be enacted by a resolution of the Board of Directors. Once enacted, the entrance fee may be waived for any particular period by a resolution of the Board of Directors.
- Section 4. An applicant who fails to complete payment of one share within six months of their filing of a membership application may be cancelled by action of the Board of Directors or their designee.
- Section 5. A member who leaves or has left the field of membership of this Credit Union may retain membership and all its benefits.
- Section 6. Any member who causes a financial loss to the Credit Union shall be subject to denial of all services.
- Section 7. A member who fails to increase their share balance to at least one share within six months following an increase in the par value of shares, or a member who reduces their share balance below one share and does not increase the balance to at least one share within six months of the reduction, may be terminated from membership by action of the Board of Directors or their designee.

**ARTICLE III  
MEETINGS**

- Section 1. The annual meeting of the members shall be held no later than April 30 of each calendar year.
- Section 2. Special meetings may be called by the Chair of the Board or Supervisory Committee. Special meetings shall be called by such presiding officers upon written request of one percent of the members. No other business than that specified in the notice of the meeting shall be conducted at a special meeting.

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- Section 3. Notice of all meetings shall be given to the members by the Board Secretary at least five days before the date of the meeting. The notice shall specify the date, time and place of the meeting, and, in the case of a special meeting, the purpose of the meeting. A copy of the notice shall be posted in a conspicuous place in each Credit Union office.
- Section 4. At annual or special meetings 50 members shall constitute a quorum, and the vote of the majority shall be the act of the Credit Union. If no quorum is present, an adjournment shall be taken to a date not less than seven days thereafter. Notice of an adjourned meeting shall be given in the same manner as provided in Section 3 of this Article for the original meeting. The decisions of the majority at an adjourned meeting shall be binding regardless of the number of members present.
- Section 5. The order of the business of the annual meeting of members shall be:  
Roll Call  
Reading and Approval of Minutes of Last Meeting  
Report of Board Chair  
Report of Board Treasurer  
Report of Supervisory Committee  
Unfinished Business  
Report of Nominating Committee  
New Business  
Report of President  
Elections  
Adjournment
- Section 6. Emergency exception to in-person quorum requirements. This credit union may hold its annual meeting of the members, and special member meetings for authorized purposes other than member expulsion under Article XI of these bylaws, virtually (including webcasts, teleconferences, virtual meeting rooms or similar means that permit members to listen, vote as necessary and participate) and without an in-person quorum if all of the following conditions apply and are certified in meeting minutes by a resolution of the majority of a quorum of the board of directors:
- At least one of the following is located in an area where a federal, state, or local authority has declared a state of emergency or major disaster:
    - a. all or part of a community the credit union serves; or
    - b. the credit union's headquarters.
  - The credit union has the technological capacity to facilitate virtual meeting attendance, voting, and participation.
  - Members receive at least seven (7) days' advance notice of the change to a virtual meeting format and appropriate instructions for how to join, participate, and vote during the virtual meeting.
  - The Pa Department of Banking and Securities has issued general or specific guidance notifying the credit union that it is appropriate to invoke this bylaw provision.

**ARTICLE IV  
ELECTIONS**

- Section 1. At least 120 days prior to each annual meeting, the Board Chair shall appoint a Nominating Committee of no fewer than three members who are in good standing for the previous 12 months or more. It shall be the duty of the Nominating Committee to:
- 1.1 Nominate at least one member for each vacancy for which elections are being held, including any unexpired term vacancy, and

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- 1.2 Determine that the members nominated are agreeable to the placing of their names in nomination and will accept office if elected, and
  - 1.3 File its nomination(s) with the Board Secretary at least 90 days prior to the annual meeting.
  - 1.4 Any member interested in submitting such member's name as a candidate must file in writing to the Nominating Committee in care of the Credit Union at least 95 days prior to the annual meeting. Such writing must include a brief statement of biographical data (not to exceed 100 words) in such form as approved by the Board of Directors, together with such member's agreement to having the member's name placed in nomination and willingness to accept office if elected. Each candidate must be a member in good standing for the previous 12 months prior to the member being submitted for nomination, be 18 years of age or older, sign a credit report authorization, be bondable, not be an employee of the Credit Union and not be an immediate family member of an employee as defined by current policy of the Board of Directors.
- Section 2. At least 75 days prior to the annual meeting, the Board Secretary shall give notice to all members eligible to vote. Notice may be provided by mail or electronically. Such notice shall include the following information:
- 2.1 The name(s) of each nominee submitted by the Nominating Committee in such form as shall be approved by the Board of Directors. Each nominee shall submit a statement of biographical data.
  - 2.2 That when there is only one nominee for each position to be filled and, thus, no contest in the election, then:
    - a. the election will not be conducted by ballot,
    - b. there will be no nominations from the floor, and
    - c. the election will be conducted as provided in section 5 of this Article.
  - 2.3 The date and time of the annual meeting.
- Section 3. All elections shall be determined by plurality vote and shall be conducted by any combination of mail or electronic ballot, except where there is only one nominee for each position to be filled.
- Section 4. When only one member is nominated for each position to be filled, whether by the Nominating Committee, the Board Chair may take a voice vote or declare each nominee elected by general consent or acclamation at the annual meeting.
- Section 5. The Board of Directors shall consist of a minimum of seven to a maximum of eleven members. All terms of office of all directors shall be for three years and shall be so fixed that an approximately equal number of terms shall expire at each annual meeting.
- Section 6. Members of and nominees to the Board of Directors shall be limited to members in good standing for the previous 12 months prior to submitting name in nomination. As used in these Bylaws, good standing shall be defined to mean that, for such member, all loans with the Credit Union are current and the Credit Union has suffered no losses as a result of the charge off or discharge in bankruptcy on any loans or other obligations to the Credit Union. The Board Secretary shall investigate the standing of all nominees for office and the Secretary's decision shall be binding.
- Section 7. Any vacancy occurring on the Board of Directors between annual meetings shall be filled by a majority vote of the remaining directors. Each person so elected shall be a director or committee member until a successor is elected by the members at the next annual election. At the next annual election, a director or committee member shall be elected to serve for the unexpired term of such vacancy. When terms of unequal length are being filled at an election, terms from the longest to the shortest shall be awarded to those elected according to the highest number of votes received. When two or more persons tie for terms of unequal length, the terms shall be determined by the Board of Directors.

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- Section 8. No member of the Board of Directors may serve on the Supervisory Committee.
- Section 9. The Board of Directors may appoint from their own number an Executive Committee of not less than three directors who may be authorized to act for the Board in all respects subject to such conditions and limitations as prescribed by the Board.
- Section 10. Except as provided in this Article IV, all elections shall be by any combination of mail or electronic ballot, subject to the following conditions:
- 10.1 The tellers of election shall be appointed by the Board of Directors
- 10.2 If sufficient nominations have been made by the Nominating Committee to provide more than one nominee for any position to be filled, the Board Secretary shall, at least 30 days prior to the annual meeting, send ballots to all members eligible to vote.
- 10.3 The Board Secretary shall cause the following to be sent by mail or electronically to each eligible voter, who shall be a member by the close of business on the last business day prior to December 31st:
- a. One ballot, clearly identified as such, on which the names of the candidates for the Board of Directors shall be listed. The name of each candidate shall be followed by a brief statement of biographical data not to exceed 100 words in such form as shall be approved by the Board of Directors.
- 10.4 It shall be the duty of the tellers of election to:
- a. verify, or cause to be verified, the name of the voter and the voter's Credit Union account number as appearing on the identification form, and
  - b. in the case of a questionable or challenged identification form, to retain the identification form and ballot until the verification or challenge has been resolved.
- 10.5 Ballots must be received by the tellers of election no later than midnight five days prior to the date of the annual meeting.
- 10.6 The vote shall be tallied by the tellers of election. The result shall be verified at the annual meeting. The Board Chair or any designee of the Chair shall make public the result of the vote at the annual meeting. If there is a tie vote that would affect the outcome of the election, the election shall be determined by the Board of Directors.

**ARTICLE V  
DIRECTORS AND OFFICERS**

- Section 1. A meeting of the newly-elected Board of Directors shall be held within 30 days after the annual meeting of this Credit Union at which time there shall be elected from its membership a Chair and one or more Vice Chair(s); a Treasurer; and a Secretary, all of which officers shall serve for a period of one year or until successors are elected and installed. The offices of Treasurer and Secretary may be held by one person.
- Section 2. The Board may appoint one or more Assistant Treasurers.
- Section 3. The Board shall hold regular monthly meetings the day or date of which shall be fixed by the Board and properly recorded in its minutes. At all meetings a majority of the total directorate shall constitute a quorum. Special meetings of the Board may be called by the Board Chair and shall be called by such officer upon written request of not less than three members of the Board. The call shall include a statement of the business to be considered. No other business may be conducted.
- Section 4. The Board shall have general management of the affairs of the Credit Union and shall fulfill
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the duties and have such other authority as is provided by law. The Board, by resolution, shall designate the depositories, the person(s) to sign checks and the person(s) who shall have control with the Treasurer of the investments of the Credit Union. The Board shall at all times have free access to the books and records of the Credit Union.

- Section 5. A Director failing to attend three successive stated monthly meetings without cause may be removed by the Board of Directors and the vacancy shall be filled as provided in Article IV, Section 8 of these Bylaws. During the absence of any officer from a meeting of the Board, the Board may appoint another of its members to act temporarily in such member's stead.
- Section 6. The Board Chair shall preside at meetings of the members and of the Board. The Chair shall countersign all notes and drafts by the Credit Union when two signatures are required and shall have such other powers and perform such other duties as are generally exercised by and appertain to the office of the Board Chair or as may be assigned by the Board of Directors.
- Section 7. A Vice Chair shall perform the duties of the Board Chair in the event of the absence or disability of the Chair and such other duties as the Board of Directors may assign.
- Section 8. The Treasurer shall have charge of all funds of the Credit Union and shall see that a true and accurate accounting of all financial transactions of the Credit Union is made and that reports of such transactions are presented to the Board of Directors at each of the regular meetings or special meetings called.
- Section 9. The Secretary shall attend all meetings of the Board and keep a correct record of all meetings of the Board of Directors, which records shall be signed by the Secretary and the presiding officer. The Secretary shall give notice of all meetings of the Directors and shall perform such other duties as are generally exercised by and appertain to such office or as may be assigned by the Board.
- Section 10. The officer in charge of operations shall be the President/CEO serving under the direction and control of the Board of Directors, as the Board shall determine, who shall have the following power and authority:
- a. to sign all notes and drafts drawn by the Credit Union,
  - b. to retain custody of the cash, books of account and other valuable papers of the Credit Union and together with such other officer of the Credit Union appointed by the Board, shall have joint custody of investments,
  - c. to keep proper books of account satisfactory to the Department of Banking,
  - d. to prepare a financial statement and statistical report showing the condition of the Credit Union as of the close of each month, which statement shall be posted within 22 days after the close of each month in a conspicuous place in or near the offices of the Credit Union where it shall remain until replaced by the statement of the succeeding month, and
  - e. to ensure that all deposits shall be appropriately placed on deposit timely in accordance with established policy. All payments or withdrawals shall be made by such means as are appropriate within established policy.

The officer in charge of operations shall be the President/CEO, who shall be fully bondable in the amount determined by the Board of Directors from time to time and approved by the Department of Banking. The bond shall be held by the President/CEO, the expense of which shall be borne by the Credit Union. The President/CEO shall have such other duties and authority as are generally exercised by and appertain to such office or as may be assigned by the Board of Directors.

- Section 11. An Assistant Treasurer shall perform the duties of the Treasurer in the event of the absence or disability of that officer and such other duties as the Board may assign.
- Section 12. The Board may approve applications for membership or may assign the President/CEO or his/her designee to approve applications for membership.

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**ARTICLE VI  
SUPERVISORY COMMITTEE**

- Section 1. The Supervisory Committee shall be appointed by the Board of Directors from the membership. The Supervisory Committee shall consist of a minimum of three to a maximum of five members. The Board may appoint alternate Supervisory Committee members or other associate volunteers to provide for appropriate succession in the event of vacancies.
- Section 2. Terms of Supervisory Committee members shall be for three years. Terms will be staggered to the extent possible such that a majority of members is not up for reappointment at any one time.
- Section 3. Vacancies occurring in the membership of the Supervisory Committee shall be filled by vote of the Board of Directors. A vacancy filled in this manner shall be for the remainder of the current term. In the case of a tie, the Board Chair shall cast the deciding vote.
- Section 4. The Supervisory Committee shall, at least annually, make an examination of the books and affairs of the Credit Union and submit a report of its findings to the Board of Directors and to the members at the next annual meeting. The Supervisory Committee may employ and use such clerical and auditing assistance as may be required to carry out its responsibilities and may request the Board to provide compensation for such assistance.
- Section 5. Each examination by the Supervisory Committee shall include at least an adequate test sampling of applications for loans made during the period under examination and that each such application is properly executed in accordance with these Bylaws and loan policy and bears approval of a loan officer as required by law. The Committee shall, from time to time and at least once every two years, cause the share and loan accounts of members and share accounts of non-members to be verified with the records of the Credit Union using a method that conforms to generally accepted auditing standards. The Committee shall maintain a record of such verification.
- Section 6. The Supervisory Committee members shall choose from among their number a Secretary. The Secretary shall keep a record of all meetings of the Supervisory Committee and prepare, maintain, and have custody of the records of all actions taken by the Committee. These reports and records shall become part of the records of the Credit Union.
- Section 7. If the Supervisory Committee fails to perform the duties required by law, the Board of Directors shall remove the members from office and appoint a new Committee. The Board of Directors may fill such a vacancy pursuant to Section 3 of this Article. Any member of the Supervisory Committee failing to attend three successive meetings of the committee without cause may be removed by the Board of Directors and the vacancy shall be filled as provided in Section 3 of this Article.
- Section 8. The Supervisory Committee shall have such other duties and authority as by law provided.

**ARTICLE VII  
LOANS TO MEMBERS**

- Section 1. Loans shall be made only for the purposes and upon the conditions provided by law and only to the members permitted to borrow by law.
- Section 2. Directors or members of the Supervisory Committee shall have the same borrowing privileges as any other member of this Credit Union, except as may be restricted by law. However, they may not borrow under terms and conditions more favorable than those offered generally to other members.
- Section 3. Loans shall be evidenced by a promissory or judgment note and any other document necessary to secure such loans signed by the borrowing member and such other person(s) as may have been required as comaker(s) or cosigner(s) by the approving loan officer. The note and other legal

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papers shall be filed with the application as a record of the Credit Union. The application or other documents required by law to be retained shall remain in possession of the Credit Union and shall be filed with its records. Legal documents filed with a public official need not be returned to the borrower.

- Section 4. The rate of interest charged on loans to members shall be established by resolution of the Board of Directors, but such rate shall not exceed that which is fixed by law. The Board may assign the establishment of the rate of interest charged on loans to the Asset Liability Management (ALM) Committee.
- Section 5. The Board of Directors may authorize the charging of a late fee on loans. Such fees shall not exceed the amount specified by law.

**ARTICLE VIII SHARES**

- Section 1. Shares in this Credit Union shall have the par value designated in its Articles of Incorporation. Shares may be paid in cash or may be paid in installments.
- Section 2. The maximum amount or number of shares, which may be purchased by any member or nonmember, shall be determined from time to time by the Board of Directors.
- Section 3. Shares may be purchased in the name of a minor child of a member. Shares may be purchased by a member as trustee for any person designated by such member. Shares may be purchased by a member in joint tenancy with the right of survivorship with any person designated by such member. No such minor, beneficiary or joint tenant may vote, hold office or borrow from the Credit Union unless they are a qualified member.
- Section 4. Shares or the money paid in on shares may be withdrawn at any time the offices of the Credit Union are open for business; however, the Board of Directors may require a notice of withdrawal not exceeding 60 days. When the demand for withdrawals is greater than the funds available, such withdrawals shall be paid in the order in which received as funds become available. Applications for withdrawal shall be made as prescribed by the Board of Directors.
- Section 5. Every share or part thereof shall be subject to an automatic lien for the payment of any indebtedness due the Credit Union by the owner thereof as maker, comaker or cosigner on any loan due the Credit Union. This lien shall be enforceable against such share or part thereof by forfeiture and cancellation thereof by action of the Board of Directors and the application of the proceeds or so much thereof as may be necessary to pay the amount due the Credit Union.

**ARTICLE IX  
DIVIDENDS AND INTEREST REFUNDS**

- Section 1. The Directors of the Credit Union may declare dividends as provided by law. Dividends shall be paid on all shares and share certificates; however, the Directors may set different rates on different classes of shares. Dividends may be paid on all funds in a member's share account once a fully paid share, as set forth in the Articles of Incorporation, has been purchased. The Board may assign the establishment of the rate of interest paid on shares to the Asset Liability Management (ALM) Committee.
- Section 2. The Directors may authorize an interest refund on such classes of loans to members and under such conditions as is prescribed by law. Such interest refunds may be distributed in the manner determined by the Board of Directors.

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**ARTICLE X  
RESERVES**

Section 1. The Credit Union shall establish and maintain a Regular Reserve Account, an Allowance for Loan Loss Account and an Allowance for Investment Loss Account in accordance with Section 513 of the Credit Union Code.

**ARTICLE XI  
EXPULSION**

Section 1. A member may be expelled from membership in the Credit Union in the manner provided by law. A member who causes the Credit Union to incur monetary loss of \$50 or more will be automatically expelled.

**ARTICLE XII  
DISSOLUTION**

Section 1. This Credit Union may be dissolved at any time in the manner provided by law.

**ARTICLE XIII  
AMENDMENTS**

Section 1. These Bylaws may be altered, amended or repealed as provided in Section 305 of the Credit Union Code. All Bylaw amendments shall be forwarded to the Department of Banking.

Section 2. The Articles of Incorporation may be amended at a regular or special meeting or by mail or electronic ballot voting as prescribed by law.

**ARTICLE XIV  
DIRECTORS AND VOLUNTEER OFFICERS' LIMITED LIABILITY**

Section 1. Directors and volunteers of this Credit Union shall stand in a fiduciary relation to this Credit Union and shall perform their respective duties, including their duties as a member of any committee upon which they may serve, in good faith, in a manner they reasonably believe to be in the best interest of this Credit Union and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing their duties, directors and volunteers shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- a. one or more officers or employees of this Credit Union whom the directors or volunteers reasonably believes to be reliable and competent in the matters presented.
- b. counsel, public accountants or other persons as to matters which the directors or volunteers reasonably believes to be within the professional or expert competence of such persons.
- c. a committee of the Board of Directors upon which such directors or volunteers do not serve, which committee the directors or volunteers reasonably believe to merit confidence.
- d. directors and volunteers shall not be considered to be acting in good faith if such director has knowledge concerning the matter in question that would cause such reliance to be unwarranted.

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- Section 2. In discharging the duties of their respective positions, directors and volunteers may, in considering the best interests of this Credit Union, consider the effects of any action upon employees, members of this Credit Union, suppliers and communities in which offices or other establishments of this Credit Union are located, and all other pertinent factors. The consideration of these factors shall not constitute a violation of Section 1 hereof.
- Section 3. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a director or any failure to take any action shall be presumed to be in the best interests of this Credit Union.
- Section 4. Directors or volunteers of this Credit Union shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:
- a. the director or volunteer has breached or failed to perform the duties of his/her office under Section 1; and
  - b. the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.
- Section 5. The provisions of Section 4 hereof shall not apply to:
- a. the responsibility or liability of a director or volunteer pursuant to any criminal statute; or
  - b. the liability of a director or a volunteer for the payment of taxes pursuant to a local, state or federal law.
- Section 6. The Credit Union shall have the power to indemnify its current and former directors, volunteers and decision-makers against expenses reasonably incurred by them in connection with the defense of any action to which they are made parties by reason of being or having been directors or volunteers of this Credit Union, unless with respect to any such matter such person shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that the action was in the best interests of the Credit Union. Such indemnification shall not be deemed exclusive of any other rights to which they may be entitled under any Bylaw, agreement, vote of members or otherwise.
- Section 7. Notwithstanding any other provisions of these Bylaws, the approval of the members shall be required to amend or repeal this Article or to adopt any provision as part of these Bylaws, which is inconsistent with the purpose of this Article.
- Section 8. The Board of Directors of the Credit Union shall have the authority to purchase and maintain insurance on behalf of any and all of the current and former directors, volunteers and employees against any liability or settlement based on liability asserted to have been incurred by them by reason of being or having been directors or volunteers of the Credit Union.