

CREDIT UNION RESOURCES, INC.

Bylaws

Article I: PURPOSE; OFFICES

Section 1: Credit Union Resources, Inc. (hereinafter "Company") is a for-profit corporation organized under the laws of the State of Texas. The purpose for which the Corporation was formed is to transact any and all lawful business for which a for-profit corporation may be organized under the Texas Business Organizations Code.

Section 2: The Company may have, in addition to its registered office, offices and places of business at such places, both within and outside the State of Texas, as the board of directors may from time to time determine or the business and affairs of the Corporation may require.

Article II: MEETINGS OF SHAREHOLDERS

Section 1: **Annual Meeting.** The annual meeting of the shareholders of the Company shall be held at such time and place each year as the board of directors may determine.

Section 2: **Special Meetings.** The chairman of the board, the president, the board of directors by approval of a majority of those present at a duly called meeting at which a quorum is present, or shareholders holding not less than one-tenth of the shares entitled to vote may call a special meeting of the shareholders at such place as the board of directors may determine.

Section 3: **Notice of Meetings.** At least ten (10) days but not more than 60 days prior to any meeting of shareholders, the president or secretary shall cause written notice thereof to be sent to each shareholder. The notice of a special meeting shall contain a statement of the purpose(s) for which the meeting has been called, and no business shall be transacted at the meeting which does not pertain to such purpose(s).

Every shareholder shall for all purposes be deemed to have been duly notified of any meeting if present in person or by proxy at the meeting or shall waive notice in writing, either before or after the meeting. Provided, however, if a shareholder is present at a meeting solely to object to the transaction of business at the meeting on the grounds that the meeting was not lawfully called or convened, then such shareholder is not deemed to have received notice simply by being present at the meeting and cannot be counted for purposes of a quorum.

Section 4: **Quorum/Voting.** With respect to any meeting of shareholders, a quorum shall be present for any matter to be presented at that meeting if the holders of a majority of the shares entitled to vote at the meeting are represented at the meeting in person or by proxy. The shareholders represented in person or by proxy at a meeting of shareholders at which a quorum is not present may adjourn the meeting to such place and a date not less than seven (7) or more than fifteen (15) days thereafter as may be determined by a vote of the holders of a majority of the shares represented in person or by proxy at that meeting. The vote of a majority of votes entitled to be cast by shareholders present at a meeting at which a quorum is present is the act of the shareholders unless a greater vote is required by law, the certificate of formation these bylaws.

Section 5: **Voting by Shareholders.** Each shareholder registered on the books of the Company on the record date provided in Section 7 below or at the time the books are closed for

transfer as provided in Section 4 of Article VIII shall be entitled to one vote for each share of stock owned by the shareholder. The sole shareholder of the Company is Cornerstone Credit Union League (hereinafter "League").

Section 6: **Proxies.** Absent shareholders may vote by proxies duly authorized in writing subject to the provisions of law with respect to voting by proxy. The only eligible proxy to represent shareholders shall be the League acting through a person designated by its board of directors.

Section 7: **Record Date.** For purposes of determining shareholders entitled to notice of and to vote at a shareholders meeting, the board may fix in advance a record date for determination of shareholders for such purpose, such date to be not more than sixty (60) days and not less than fifteen (15) days prior to the date of such meeting. Except as the board may provide otherwise, if no record date is fixed for the purpose of shareholders entitled to notice of and to vote at a meeting, the close of business on the last business day before notice is mailed shall be the record date for such purpose. A determination of shareholders entitled to notice and to vote at a meeting, shall apply to any adjournment thereof unless otherwise provided by the board.

Section 8: **Unanimous Consent.** Any action required or permitted to be taken at a meeting of the shareholders may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all shareholders.

Article III: BOARD OF DIRECTORS

Section 1: **Management.** The affairs of the Company shall be managed by the board of directors.

Section 2: **Composition.** The board of directors shall consist of eleven (11) directors, nine (9) of whom shall have the power to vote ("Voting Directors"), who shall serve without compensation for a term of three (3) years or until their successors are elected and qualified as provided herein. The vice-chairman and treasurer of the League shall automatically serve as directors and shall not have the power to vote ("Non-Voting Directors") and shall serve as chairman of the board and treasurer, respectively of the Company. The remaining nine (9) Voting Directors shall be elected by the shareholders under the qualifications set forth in subparagraph (a) below. Of such nine (9) Voting Directors, there shall be one (1) elected at-large from each of the states of Arkansas, Oklahoma, Texas, Missouri and Kansas and there shall be one elected at-large from each of the four (4) asset categories utilized by the League to elect its Voting Directors. Other than the vice-chairman and treasurer none of the directors may also serve on the League board during the time of their service. The terms of Voting Directors shall be staggered as provided in subparagraph (c) below. The term "directors" as used in these bylaws shall mean Voting Directors, Non-Voting Directors and Advisory Directors except that the term "directors" shall mean Voting Directors only (i) for purposes of determining a quorum under Article IV, Section 5, (ii) unanimous consent actions under Article IV, Section 3, and (iii) any bylaw provision that requires a vote of any stated percentage or number of the directors,

In addition, there may be up to two (2) advisory directors ("Advisory Directors") elected by the shareholders. Advisory Directors may attend all meetings and participate in discussions but shall not have the power to vote. Qualifications and terms of Advisory Directors shall be determined by the League board.

(a) **Qualifications of Directors.** Except for Advisory Directors, directors must be (1) either senior level management staff or voting board member of the member credit union which

he/she is representing, and (2) must be a member of a League member credit union. Notwithstanding any other provisions in these bylaws, once elected, a director's office does not become vacant because the asset category from which such director was elected changes to another category after the election.

(b) **Automatic Vacancy.** The office of any director shall be automatically vacant upon his/her failure to meet the requirements of his/her election, other than as is provided in subparagraph (a) of this section.

(c) **Term of Office.** Except as provided in this paragraph, directors terms shall be three (3) years. The first elections under these restated bylaws will occur in 2020 and those directors elected in 2020 as state directors will receive a three-year term; the directors elected from the largest and smallest asset categories will receive a two-year term; and the directors elected from the two (2) middle asset categories will receive a one-year term. The term of a director begins immediately after the adjournment of the League annual meeting following the director's election. Beginning in 2021 and thereafter directors will be elected to replace those directors whose terms expire each year and will be elected for a term of three (3) years. The two directors who serve as vice-chairman and treasurer of the League shall serve one-year terms. Advisory Directors shall serve the terms determined by the League board. Directors shall serve the term specified herein or until their successors are elected and qualified.

Section 3: Election of Directors. At each annual meeting of the shareholders those Voting Director and Advisory Director positions that will be up for election, as stated above, shall be elected by the vote of the holders of a majority of the shares entitled to vote in such election. It shall be the duty of the president to notify the duly elected directors of their election and of the time and place of the organization meeting of the new board of directors.

Section 4: Resignations. Any director may resign by giving written notice to the chairman or president. The resigning director's office shall be vacant upon receipt of notice by the chairman or president, or at a future date (within the term of office) specified in the resignation notice.

Section 5: Removal. At any meeting of the shareholders called expressly for that purpose, any director or the entire board of directors may be removed with or without cause, by a vote of the holders of a majority of the shares then entitled to vote at an election of directors, but only after such director(s) has been given an opportunity to be heard.

Section 6: Interim Vacancies in Directorships. Vacancies in the board of directors of a Voting Director or Advisory Director, however occurring, shall be filled by the shareholders electing a qualified person to fill such vacancy for the un-expired term being filled. In the event of a vacancy or a defect in the election of any member of the board of directors, the other duly elected members may nevertheless act, and all acts done by them shall be as valid as if the vacancy or defect had not existed.

Section 7: Organization of the Board. At the first meeting of the new board of directors following each annual meeting of the shareholders, the board of directors shall elect board officers consisting of a chairman of the board ("chairman"), a secretary and a treasurer, each of whom shall be a director. The chairman so elected shall be the vice chairman of the League and the treasurer so elected shall be the treasurer of the League. The board officers shall serve for a term of one year or until their successors are elected and qualified. In addition to other duties of the chairman prescribed herein, the chairman shall preside at all meetings of the Company and the board of directors, and he/she shall present an annual report to the shareholders. The duties of the chairman shall be performed in his/her absence or disability by the secretary. Other board officers shall have such duties as are assigned to them by the board

Article IV: MEETINGS OF DIRECTORS

Section 1: **Notice of Directors' Meetings.** The chairman shall from time to time call and fix the date and time for regular directors' meetings and may call special directors' meetings as often as he/she deems necessary. The chairman shall call a special meeting of the directors upon the written request of at least one-third of the directors. The president shall cause to be given to each director at least ten (10) days written notice prior to regular meetings and at least three (3) days written notice prior to any special meeting. A special meeting may be called on shorter notice provided all directors waive notice in accordance with Section 2 below. Each notice of a special meeting shall contain the purpose(s) of the meeting and no business shall be transacted at such meeting which does not pertain to such purpose(s).

Section 2: **Waiver of Notice.** Every director shall for all purposes be deemed to have been duly notified of any meeting if present in person at such meeting or shall waive, in writing filed with the records of the meeting, notice thereof, either before or after the meeting. Provided, however, if a director is present at a meeting solely to object to the transaction of business at the meeting on the grounds that the meeting was not lawfully called or convened, then such director is not deemed to have received notice simply by being present at the meeting and cannot be counted for purposes of a quorum.

Section 3: **Unanimous Consent.** Any action required or permitted to be taken at a meeting of the board of directors or any committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all directors or committee members, as the case may be.

Section 4: **Telephone (communications equipment) Meetings.** Any meeting of the board of directors or any committee designated by the board may be held by telephone conference call or similar communications equipment or other suitable electronic communications system, including videoconferencing technology or the Internet, or any combination, only if the system provides access to the meeting in a manner or using a method by which each person participating in the meeting, but not physically present at the meeting, can communicate concurrently with each other participant. If voting is to take place at the meeting there must be reasonable measures in place to verify that every person voting at the meeting by means of remote communication is sufficiently identified, and to keep a record of any vote or other action taken, and participation in such meeting shall constitute presence in person at such meeting for the purpose of determining the presence of a quorum and for all other voting purposes. Provided, however, if a director is present at a meeting solely to object to the transaction of business at the meeting on the grounds that the meeting was not lawfully called or convened, then such director is not deemed to have received notice simply by being present at the meeting and cannot be counted for purposes of a quorum.

Section 5: **Quorum/Voting/No Proxies:** A quorum for the transaction of business by the board of directors shall be a majority of the number of directors set by these bylaws. The vote of a majority of directors present at a duly called meeting at which a quorum is present is the act of the board unless a greater vote is required by law, the certificate of formation or these bylaws. In the event of a vacancy of any member of the board of directors, the other duly elected directors may nevertheless act, and all acts done by them shall be valid as if the vacancy or defect had not existed. Directors may not vote by proxies.

Article V: COMMITTEES AND SUBSIDIARIES

Section 1: **Committees.** The board of directors, by resolution adopted by a majority of the

directors in office, may designate from among its members one or more committees, and to the extent provided in such resolution, the committee(s) shall have and exercise the authority of the board of directors in the direction of the Company.

Section 2: Audit Committee. At the time of the organization meeting under Article III, Section 7, the board shall select two members of the board who do not serve on the League board to serve as members of a committee that shall be known as the "Audit Committee." In addition, the League board shall select three members from the League board who do not also serve on the Company board making a total of five (5) members of the Audit Committee. The Audit Committee shall have the duties assigned to it under board policies established in accordance with these bylaws.

(a) Chairman. The Audit Committee shall elect a chairman and vice-chairman from its members.

(b) Ex-Officio Members. The League chairman of the board and the chairman of the board, treasurer and president of the Company shall serve as ex-officio members of the Audit Committee.

(c) Notices. The president shall cause notice of Audit Committee meetings to be given to each member of the Audit Committee according to the same provisions as apply to directors' meetings herein. Any Audit Committee member may waive the requirement of notice to such meeting in the same manner as for directors' meetings.

(d) Meetings. The chairman of the Audit Committee shall call Audit Committee meetings as often as necessary. Notice of Audit Committee meetings shall be given to all directors and shall be open to all directors at their own expense.

(e) Quorum. A majority of the voting members of the Audit Committee shall constitute a quorum.

Section 3: Directors of Subsidiaries and Affiliates. Pursuant to the direction and control of the board and to the extent that the Company has voting or other power to do so, an officer or other person designated by the board shall elect or appoint the members of the committees or boards not otherwise described in these bylaws. In the case of subsidiary boards of the Company, the appointment shall be subject to the review and vote of the directors acting as shareholders when appropriate.

Article VI: OFFICERS

Section 1: The President. The board of directors shall choose a president, who shall be the person serving as Chief Executive Officer of the League.

Section 2: Duties of President. The president shall be the principal executive officer of the Company with the responsibility and all necessary authority to administer and conduct the affairs of the Company. Without limiting the generality of the foregoing, the president shall have the specific authorities, responsibilities, and duties set forth in this section and elsewhere in the bylaws, and such powers, authorities, duties, or responsibilities implied thereby. The president shall determine all positions to be filled by employees of the Company, define the duties and responsibilities attached to such positions, fix the compensation therefor except as limited by applicable laws, and have the power and responsibility for hiring and discharging all employees of the Company.

The president shall cause notice to be given of the meetings of the shareholders, board of directors, and audit committee as required herein. The president shall cause to be kept a record of the proceedings of all such meetings. He/she shall cause such other books and records to be kept as the board of directors, the audit committee, or the chairman of the board shall require, and shall perform such other duties as may be required of the president by them. The president shall have custody of the corporate seal, if any, and shall cause the seal to be affixed to all instruments requiring its impression. The president shall be responsible to cause all monies, funds, and securities of the Company to be safely kept in accordance with instructions of the board of directors. The president shall cause an accurate account to be kept of all monies received and disbursed. He/she shall have authority to borrow money on behalf of the Company as expressly authorized by the board of directors. The president shall furnish to the directors, whenever required by them, such statements and abstracts of records as are necessary for a full exhibit of the financial conditions of the Company and shall cause an annual report to be furnished to the shareholders. The president may designate another officer or assistant officer to perform the duties of the president in his/her absence.

Section 3: **Other Officers.** The president shall appoint and fix the compensation and authority of such other officers, including executive officers, assistant officers and agents as he/she deems necessary for the operation of the Company and prescribe their titles. Such other officers shall be appointed for terms set by and shall, serve at the pleasure of the president and may be removed with or without cause by the president at any time.

Article VII: FINANCES

Section 1: **Fiscal Year.** The fiscal year of the Company shall be the calendar year.

Section 2: **Budget.** The board of directors shall adopt a budget for each fiscal year.

Section 3: **Audits.** The books and accounts of the Company shall be audited each fiscal year by a licensed certified public accounting firm appointed by the audit committee; a report of such audit shall be submitted to the board.

Section 4: **Books and Records.** The books and records of the Company shall be available to the directors and shareholders as required by applicable law.

Section 5: **Bonds.** All officers and such employees as the board of directors may direct, shall be covered by bonds for the faithful performance of their respective duties, in such amounts and with such sureties as the board of directors may require. The premium on the bonds, as required herein, shall be paid by the Company.

Section 6: **Dividends.** Dividends shall be paid to the stockholder(s) in whose name the stock is registered on the date specified in the resolution of the board of directors declaring such dividends. The board of directors may declare, and the corporation may pay, dividends on its outstanding shares as of any date fixed by such board in cash, property or its own shares, pursuant to law and subject to the provisions of its articles of incorporation.

Article VIII: CERTIFICATES REPRESENTING SHARES

Section 1: **Stock Certificates.** Ownership of stock in the Company shall be evidenced by certificates for shares.

Section 2: **Lost Certificates.** The president may issue a duplicate certificate in place of a certificate lost or destroyed, upon the making of an affidavit of that fact by the person claiming

the certificate of stock to be lost or destroyed. The president may require the owner of such lost or destroyed certificate to give the corporation a bond in such sum as he/she may direct, as indemnity against any claim that may be made against the corporation with respect to the certificate lost or destroyed.

Section 3: Transfer of Stock. Title to a certificate and to the shares of stock in the Company represented thereby can be transferred only: (a) by delivery of the certificate properly endorsed, either in blank or to a specified person, by the person appearing by the certificate to be the owner of the shares represented thereby; or (b) by the delivery of the certificate and a separate document containing a written assignment of the certificate or a power of attorney to sell, assign, or transfer the same or the shares represented thereby, legally executed by the person appearing by the certificate to be the owner of the shares represented thereby. Such assignment or power of attorney may be either in blank or to a specified person.

Section 4: Closing of Transfer Books. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders, or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the board of directors may close the stock transfer books for a period not longer than 60 days as provided by law.

Section 5: Registered Shareholders. The corporation shall be entitled to recognize the exclusive rights of a person registered on its books as the owner of shares entitled to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided in the laws of the State of Texas.

Article IX: ROBERT'S RULES AND WORD USAGE

Section 1: Robert's Rules. The most current edition of Robert's Rules of Order shall govern all meetings of the Company, board of directors, and committees in all cases to which they are applicable and in which they are not inconsistent with the certificate of formation, bylaws or other rules of order of the Company.

Section 2: Word Usage. All pronouns and any other variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons may require.

Section 3: Number of Days Notice Required. Whenever a number of days notice is required in these bylaws the number of days is computed by counting all calendar days (including holidays and weekends) excluding the day of the meeting but including the day of sending the notice.

Article X: INDEMNIFICATION AND INSURANCE

Section 1: Indemnification. To the fullest extent permitted by law, the Company shall indemnify and advance expenses to:

(a) persons who are or ever were a director, officer, employee or agent of the Company, or

(b) persons serving at the request of the Company as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or

domestic company, trust, partnership, joint venture, sole proprietorship, employee benefit plan, or other enterprise, (such persons collectively being referred to herein as "Corporate Functionaries") against any and all liability and reasonable expense, including, but not limited to, court costs and attorneys' fees, that may be incurred by them at any time in connection with or resulting from (1) any threatened, pending, or completed action, suit or proceeding, whether civil, criminal administrative, arbitral, or investigative, (2) an appeal in such an action, suit or proceeding or (3) any inquiry or investigation that could lead to such an action, suit or proceeding. The Company shall pay and reimburse, in advance of the final disposition of the proceeding, to all Corporate Functionaries all reasonable expenses incurred by such person who was, is or is threatened to be made a named defendant or respondent in a proceeding to the fullest extent permitted by law.

The rights provided for in this Article X shall be in addition to all rights to which any Corporate Functionary may be entitled under any agreement or vote of shareholders or as a matter of law or otherwise.

Section 2: Insurance. The Company may purchase or maintain insurance on behalf of any Corporate Functionary against any liability asserted against him and incurred by him in such a capacity or arising out of his/her status as a Corporate Functionary, whether or not the Company would have the power to indemnify him or her against the liability under any applicable statute or these bylaws. Without limiting the power of the Company to procure or maintain any kind of insurance or arrangement, the Company may, for the benefit of persons indemnified by the Company, (a) create a trust fund, (b) establish any form of self-insurance, (c) secure its indemnification obligation by grant of any security interest or other lien on the assets of the Company or (d) establish a letter of credit, guaranty or surety arrangement. Any such insurance or other arrangement may be procured, maintained or established within the Company or its affiliates or with any insurer or other person deemed appropriate by the board of directors of the Company regardless of whether all or part of the stock or other securities thereof are owned in whole or in part by the Company. In the absence of fraud, the judgment of the board of directors of the Company as to the terms and conditions of such insurance or other arrangement and the entity of the insurer or other persons participating in an arrangement shall be conclusive, and the insurance or arrangement shall not be voidable and shall not subject the directors approving the insurance or arrangement to liability, on any ground, regardless of whether the directors participating in approving such insurance or other arrangement shall be beneficiaries thereof.

Article XI: AMENDMENTS

The board of directors of the Company shall recommend any alterations, amendments, or repeal of any provision of the bylaws to the shareholders. Notice shall be provided to the shareholders at least thirty (30) days in advance of any meeting called to make such changes. The notice shall contain a brief description of the proposed change or changes. An affirmative vote of two-thirds of the shareholders is required to affect the change.