

**AMENDED & RESTATED BY-LAWS OF  
INDIANAPOLIS POST OFFICE CREDIT UNION**

Room 101B, Main U. S. Post Office  
125 West South Street  
Indianapolis, Indiana 46206

Article I

Applicable Laws

Section 1. The provisions of the Indiana Code concerning credit unions in IC 28-7-1 *et seq.* (the “Act”) and all acts amendatory thereof and supplemental thereto insofar as such provisions pertain to credit unions are hereby made a part of these By-laws.

Article II

Meetings

Section 1. Annual Meetings. The annual shareholders’ meeting shall be established by resolution of the Board of Directors at the close of each calendar year. The date of such meeting shall be the third Wednesday of January of each calendar year, unless a different date is set by the Board of Directors pursuant to IC 28-7-1-4.

Section 2. Special Meetings. The Board of Directors may, in its discretion, call special meetings of the shareholders and shall do so upon the order of the Supervisory Committee, or upon the written request of at least ten percent (10%) of the shareholders. Notices of special meetings shall clearly state the time, place, and purpose of the meeting and shall be given as prescribed in Section 3 of this Article. No business other than that specified in the notice shall be transacted at any special meeting.

Section 3. Notice. Notice of all meetings of the shareholders shall be given by the Secretary not less than five (5) nor more than thirty (30) days prior to such meeting, by posting on the respective bulletin boards of (a) the Main U. S. Post Office office of the credit union, (b) the plant of such Main U.S. Post Office, and (c) all Postal Substations located in Indianapolis, Indiana.

Section 4. Order of Business. The order of business of all such meetings shall be:

- (a) Roll Call
- (b) Reading of the minutes of the last meeting
- (c) Report of the Directors
- (d) Report of the Treasurer
- (e) Report of the Credit Committee
- (f) Report of the Supervisory Committee
- (g) Unfinished business
- (h) New Business
- (i) Elections
- (j) Adjournment

Section 5. Quorum. A quorum shall consist of not less than fifteen (15) members qualified to vote at the meeting. If a quorum is not present on the day first scheduled, the meeting shall be postponed and rescheduled upon no less than seven (7) days notice to the shareholders. At any such rescheduled meeting, those members present shall constitute a quorum for the transaction of business.

Section 6. Voting. At all meetings of the shareholders, each member with one or more fully paid-shares shall have but one vote. A member who is a natural person may cast his/her vote in person or by absentee ballot; however, voting by proxy shall not be permitted. A member which is an organization shall also have no more than one vote, which vote shall be cast by a delegated agent representing such organization, whose delegation shall be recorded with the Secretary of the credit union prior to the meeting. Unless otherwise provided in these By-laws or in the Act, the vote of a majority of the members present in person or by absentee ballot shall be the act of the credit union. In the case of natural persons, members who are not at least eighteen (18) years of age shall not be eligible to vote at meetings of the shareholders.

### Article III

#### Directors and Officers

Section 1. Nominations. A Nominating Committee, consisting of three (3) members, shall be appointed by the Board of Directors, whose duty it shall be to nominate a complete list of candidates for the Board of Directors, the Credit Committee, and the Supervisory Committee as are to be elected at the next annual shareholders' meeting and to perform such other duties as are provided in these By-laws. The Board of Directors shall designate the Chairperson of the Nominating Committee from among its three (3) members. The members of the credit union shall be informed, in writing, at least sixty (60) days prior to the date of the meeting at which an election is to be held of their right to propose nominations for open position(s) to the Chairperson of the Nominating Committee. Any such nomination proposal shall be in writing and indicate the name of the person whose nomination is proposed and whether or not such person has communicated his/her intention to accept any such nomination and serve if the Nominating Committee determines that such person is qualified to serve. Before any person's name shall be submitted to the members for voting, the Nominating Committee shall first determine that such person: (a) is a member in good standing of the credit union; (b) has no family member who is a current employee of the credit union or a member of the Board of Directors or a member of the Credit Committee or the Supervisory Committee; (c) has a credit score of no less than 650, with no judgments during the previous seven (7) years, no bankruptcies of any kind during the previous ten (10) years, and no presently past due debts to any creditor; and (d) based upon a criminal background check, has no felony convictions and no misdemeanor convictions involving theft, deceit, dishonesty, or breach of a fiduciary obligation within the immediately preceding ten (10) years. Members of the Nominating Committee shall be required to enter into and execute a form Privacy Notice approved by the Board of Directors, under which notice the signatory agrees not to divulge the results or particulars of any credit report or criminal background check on any prospective nominee, except to the prospective nominee himself/herself and then only upon a written request therefor by such prospective nominee. A member of the Nominating Committee shall contact each prospective nominee to

determine whether such person consents to the nomination if such prospective nominee otherwise qualifies under the criteria set forth above. A prospective nominee shall be required to enter into and execute a consent form approved by the Board of Directors before the Nominating Committee shall proceed to determine whether the prospective nominee satisfies the criteria for nomination set forth above. If a prospective nominee should fail or refuse to enter into and execute the required consent form, then that person shall no longer be considered a prospective nominee. All persons who are ultimately nominated by the Nominating Committee shall have their names printed in the appropriate place on the written ballot provided for the particular position. There shall be no nominations from the floor at the meeting.

Section 2. Board of Directors: Number, Vacancies, and Term. The Board of Directors shall consist of five (5) members who shall be elected by the shareholders of the credit union at the annual shareholders' meeting as provided in these By-laws. Interim vacancies occurring on the Board of Directors shall be filled within thirty (30) days after their creation by the majority vote of the remaining Directors, for the period until the regular election at the next annual shareholders' meeting. In the filling of any such interim vacancies, the remaining members of the Board of Directors shall adhere to the four (4) criteria set forth in Section 1 (above) for the nomination of candidates to the Board of Directors. The Nominating Committee shall have the duty of screening prospective interim Directors and following the consent procedure set forth in Section 1 (above) with respect to such prospective interim Directors. Directors shall be elected for a term of three (3) years, except that a director elected to succeed one who has died, resigned, or been removed shall be elected for the balance of the predecessor's term.

Section 3. Organization and Meetings of the Board of Directors. Within thirty (30) days after the annual shareholders' meeting, the Board of Directors shall hold an organizational meeting to elect from its own number a Chairperson, one or more Vice Chairpersons, a Secretary, and a Treasurer, who shall be the executive officers of the credit union. An Assistant Secretary and an Assistant Treasurer may also be appointed by the Board of Directors. Thereafter, the Board of Directors shall meet at least once each month. At any meeting of the Board of Directors, three (3) members shall constitute a quorum.

Section 4. Powers and Duties of the Board of Directors. The Board of Directors shall be responsible for the management of the affairs, funds, and records of the credit union together with such other powers and duties prescribed in the Act. The supervision of the Board of Directors over the business of the credit union shall be such as will enable the Directors at all times to know its general financial condition and to check or prevent imprudent or dishonest conduct by any of its officers or officials. The Directors are agents of the credit union and are personally liable for losses and waste of money and property occurring through the violation of their duties and/or the law. The Board of Directors shall review a record of all loans approved by the Credit Committee and/or the Manager of the credit union not later than at its next regular meeting. No member of the Board of Directors shall receive compensation for his/her services as such; however, the member of the Board of Directors elected as Treasurer may also serve as the Manager of the credit union, and the remuneration for those services as the Manager of the credit union shall be fixed by the Board of Directors.

Section 5. Review and Reversal. The shareholders of the credit union, by majority vote of those present at any annual meeting or special meeting called for that purpose and eligible to vote and at which a quorum is present, shall have the power to review the acts and reverse the

decisions of the Board of Directors, including, but not limited to, amendments made to these By-laws by the Board of Directors.

Section 6. Recall of Directors. The shareholders of the credit union, by a two-thirds (2/3) vote of those present at any annual meeting or special meeting called for that purpose and eligible to vote and at which a quorum is present, shall have the power to declare the office of any member of the Board of Directors vacant, and shall elect his/her successor to serve for his/her unexpired term.

Section 7. Removal of Directors. A Director may be removed from office by a majority vote of all other current members of the Board of Directors at a duly-called meeting of the Board of Directors, upon a determination that such Director has missed more than two (2) meetings of the Board of Directors during any calendar year or any preceding twelve (12) month period and that one or more of such absences were not beyond the reasonable control of such Director. Whether or not a particular absence is or is not beyond the reasonable control of a Director shall be determined in the reasonable discretion of those other Directors voting on such matter.

Section 8. Duties of the Officers. The duties of the officers elected by the Board of Directors shall be as follows:

- (a) Chairperson. The duties of the Chairperson shall be to preside at meetings of the Board of Directors and the shareholders and to perform such other usual duties of such office.
- (b) Vice Chairperson(s). The Vice Chairperson(s) shall, in the event of the absence or incapacity of the Chairperson, perform the duties of the Chairperson and such other duties as the Board of Directors may, from time to time, prescribe.
- (c) Treasurer. The Treasurer shall be the custodian of the funds, securities, books of account, and all other valuable records of the credit union. He/she shall maintain, or cause to be maintained, proper books of entry containing in detail financial transactions of the credit union and he/she or the Assistant Treasurer, or both, or any other duly elected or appointed officer or employee of the credit union designated by the Board of Directors by resolution, shall sign all checks, drafts, and notes drawn by the credit union. In the event of the inability of the Treasurer to perform his/her duties or as otherwise directed by the Board of Directors by resolution, some or all of the duties of the Treasurer may be delegated to the Assistant Treasurer. If the Board of Directors shall appoint a person other than the Treasurer to serve as the Manager of the credit union, then the Board of Directors shall appoint such Manager as the Assistant Treasurer and vest in such Assistant Treasurer some or all of the duties of the Treasurer; provided, however, such Assistant Treasurer/Manager shall not have the voting or other powers of a member of the Board of Directors by reason of such appointment.
- (d) Secretary. The Secretary shall keep complete and accurate minutes of all meetings of the Board of Directors and the shareholders. Minutes shall be signed by the Secretary and attested to by the Chairperson or presiding officer, not later than the next regular meeting. The Secretary shall give notice of all shareholders' meetings in the manner prescribed in these By-laws and shall perform all other duties incident to this office. In the event of the inability of Secretary to perform his/her duties or as otherwise directed by the Board of

directors, some or all of the duties of the Secretary may be delegated to the Assistant Secretary.

Section 9. Duties of the Manager/Assistant Manager. Notwithstanding anything in these By-laws to the contrary, the Manager of the credit union shall have the power to approve loans upon application therefore, consistent with the Risk-Based Lending Policy of the credit union, as last revised April 6, 2006, as such policy may be revised or amended, from time to time, by the Board of Directors. However, the majority of the members of the Credit Committee must review the loan file and note such review in the loan file before the disbursement of any loan approved by the Manager of the credit union. The Manager of the credit union shall be responsible for the day-to-day operations of the credit union, and all employees of the credit union shall report to, and be supervised by, the Manager. If the Board of Directors shall appoint a person other than the Treasurer to serve as the Manager of the credit union, such Manager shall be required to attend all meetings of the Board of Directors, unless otherwise excused or other arrangements have been made, and to make such reports to the Board of Directors as may be required by the Board of Directors; provided, however, the Manager in that instance shall not have the voting or other powers of a member of the Board of Directors when attending such meetings. In the event that the Manager of the credit union shall be unavailable or incapacitated, for any reason, the duly-appointed Assistant Manager of the credit union, if any, shall perform the duties of the Manager.

Section 10. Duties of Loan Officers. The Board of Directors may appoint one or more loan officers to perform such duties as are directed by the Board of Directors. The loan officers shall report to, and be supervised by, the Manager of the credit union. No loan officer may be a member of the Supervisory Committee, and no more than one (1) member of the Credit Committee may be appointed as a loan officer. Loan officers acting as such may not approve loans. Subject to review by the Board of Directors, the Manager shall set the compensation to be paid loan officers. All loan officers shall be obligated to follow the loan policies established, from time to time, by the Board of Directors.

#### Article IV

##### Credit Committee

Section 1. Number and Term. The Credit Committee shall consist of three (3) members, who shall be elected by the shareholders. Members of the Credit Committee shall be elected for a term of three (3) years, except that a committee member elected to succeed one who has died, resigned, or been removed shall be elected for the balance of the predecessor's term. No member of this committee may be a member of the Supervisory Committee or the Board of Directors unless and until his/her term of office on this committee is terminated. No member of this committee shall receive compensation for services as such. The committee shall elect from its own number a Chairperson to preside at meetings.

Section 2. Meetings. The Credit Committee may meet at any time and shall meet as often as is necessary. The Chairperson of the committee shall notify each member in advance of each meeting as to the date, time, and place of the prospective meeting. The Credit Committee shall maintain complete and accurate minutes of all meetings in a special minute book provided for that purpose, including all loans approved and disapproved by the committee. Such minutes of the meeting shall be signed by the Chairperson not later than the next meeting.

Section 3. Powers and Duties. A majority of the Credit Committee shall be present before acting on any loan application. Approval of loan applications by the committee shall be unanimous by all members present when the loan is considered. No loan shall be made if any member of the Credit Committee shall disapprove thereof. All loans designated as having been tentatively disapproved by the Manager of the credit union shall be reviewed by the committee. If, upon such review, the committee determines that the tentative disapproval was not consistent with the credit union's then existing loan policies, the committee shall overrule the tentative disapproval decision by the Manager of the credit union, notifying the affected member(s) and the Manager of the credit union accordingly. Otherwise, the committee shall ratify the tentative disapproval decision by the Manager of the credit union. Loan applicants may appeal the decision of the committee to the Board of Directors, whose decision in the matter shall be final. A record of all loans approved by the committee (or by the Manager of the credit union) shall be reviewed by the Board of Directors at its next regular meeting. Notwithstanding anything in these By-laws to the contrary, this Section 3 shall be subject to the Risk-Based Lending Policy of the credit union, as last revised April 6, 2006, as such policy may be revised or amended, from time to time, by the Board of Directors.

Section 4. Vacancies. Interim vacancies on the Credit Committee shall be filled by the Board of Directors within thirty (30) days after such vacancy is created, for the period until the next election by the shareholders. In filling any such interim vacancies, the Board of Directors shall adhere to the four (4) criteria set forth in Section 1 of Article III. (above) for the nomination of candidates to the Credit Committee. The Nominating Committee shall have the duty of screening prospective interim members of the Credit Committee and following the consent procedure set forth in Section 1 of Article III. (above) with respect to such prospective interim members of the Credit Committee.

Section 5. Removal of Committee Members. A member of the Credit Committee may be removed from office, upon written application of any other member of the Credit Committee to the Board of Directors or upon resolution of the Board of Directors with or without any such application, if at a duly-called meeting of the Board of Directors and by a majority vote of all members of the Board of Directors, it is determined that the subject Credit Committee member was absent from an excessive or disproportionate number of meetings of the Credit Committee and that some or all of such absences were not beyond the reasonable control of such Credit Committee member. Whether or not a particular absence is or is not beyond the reasonable control of the subject Credit Committee member shall be determined in the reasonable discretion of the Directors voting on such matter.

## Article V

### Supervisory Committee

Section 1. Number and Term. The Supervisory Committee shall consist of three (3) members, who shall be elected by the shareholders. Members of the Supervisory Committee shall be elected for a term of three (3) years, except that a committee member elected to succeed one who has died, resigned, or been removed shall be elected for the balance of the predecessor's term. No member of this committee may be a member of the Credit Committee or the Board of Directors unless and until his/her term of office on this committee is terminated. No member

of this committee shall receive compensation for his/her services as such. The committee shall elect from its own number a Chairperson to preside at meetings.

Section 2. Meetings. The Supervisory Committee shall meet at least once every three (3) months and otherwise as often as is deemed necessary. The Chairperson of the committee shall notify each committee member in advance of each meeting as to the date, time, and place of the prospective meeting. The committee shall maintain complete and accurate minutes and records of all meetings and proceedings. All reports of the committee shall be presented to the Board of Directors for its review and subsequently filed and preserved with the records of the credit union. Such minutes of the meetings shall be signed by the Chairperson not later than the next meeting.

Section 3. Powers and Duties. The powers and duties of the Supervisory Committee shall be those set forth in IC 28-7-1-18.

Section 4. Vacancies. Interim vacancies on the Supervisory Committee shall be filled by the remaining members of the Supervisory Committee within thirty (30) days after such vacancy is created, for the period until the next election by the shareholders. In the filling of any such interim vacancies, the remaining members of the Supervisory Committee shall adhere to the four (4) criteria set forth in Section 1 of Article III. (above) for the nomination of candidates to the Supervisory Committee. The Nominating Committee shall have the duty of screening prospective interim members of the Supervisory Committee and following the consent procedure set forth in Section 1 of Article III. (above) with respect to such prospective interim members of the Supervisory Committee.

Section 5. Removal of Committee Members. A member of the Supervisory Committee may be removed from office, upon written application of any other member of the Supervisory Committee to the Board of Directors or upon resolution of the Board of Directors with or without any such application, if at a duly-called meeting of the Board of Directors and by a majority vote of all members of the Board of Directors, it is determined that the subject Supervisory Committee member was absent from more than one (1) meeting of the Supervisory Committee during any calendar year or any preceding twelve (12) month period and that at least one of those absences was not beyond the reasonable control of such Supervisory Committee member. Whether or not a particular absence is or is not beyond the reasonable control of the subject Supervisory Committee member shall be determined in the reasonable discretion of the Directors voting on such matter.

## Article VI

### Shares, Shareholders, and Dividends

Section 1. Shareholders. Every member of the credit union having purchased one or more shares is a shareholder. The Board of Directors is hereby authorized in its discretion to provide for such entrance fees as are deemed advisable. The maximum number of shares any one member may purchase shall be determined, from time to time, by the Board of Directors.

Section 2. Shares. The credit union is authorized to issue shares, the par value of which shall be five dollars (\$5.00).

Section 3. Joint Share Accounts. Shares may be issued in joint tenancy with the right of survivorship with any person designated by the credit union member, but no joint tenant shall be permitted to vote, obtain loans, or hold office unless he/she is also a member. Shares may also be issued in the name of a minor without a guardian, and treated as other shares.

Section 4. Expulsion and Termination of Membership. Engaging in the conduct described in Article X. (below) (but subject to the additional provisions for expulsion contained therein) or, in the discretion of the Board of Directors, failing to otherwise comply with one's responsibilities as a member of the credit union shall be sufficient cause for expulsion and shall be regarded as notice of termination of membership. All amounts paid-in on shares of a terminating member, whether voluntary or by expulsion, together with any dividends credited thereto, shall be paid to such member only as funds become available, and after deducting any amounts due the credit union by such terminating member. After termination, such member shall have no further rights in the credit union nor to any of its benefits; however, such termination shall not relieve such member from any existing or remaining liability to the credit union.

Section 5. Withdrawals. Except as otherwise provided in these By-laws, any or all amounts paid-in on shares, less pledged amounts, may be withdrawn by a member in any way and manner prescribed herein and as approved by the Department of Financial Institutions. The Board of Directors may, by resolution, require sixty (60) days notice in writing for any withdrawal. Withdrawals shall be paid in the order of their filing, as funds become available.

Section 6. Dividends on Shares. If and when declared, dividends on shares shall be paid quarterly as of March, June, September, and December as the Board of Directors may determine during the last month of the applicable dividend period. The amount of any dividends shall be determined by the Board of Directors. Dividends may be declared by the Board of Directors only after making provision for required reserves. If and when declared, dividends shall be paid on all fully-paid shares outstanding at the end of the applicable dividend period. Those shares which become fully-paid during a particular dividend period and are still outstanding when the dividend payment is to be made shall be entitled to a proportionate part of such dividend. Dividends will not be paid in cash or by check, but will be credited to the member's share account at the time the dividend payment is to be made. All dividends shall be paid in compliance with the Federal Truth-in-Savings Act and its implementing regulation.

Section 7. Transfers. Fully-paid shares of one member may be transferred to any other member of the credit union, subject to the approval of the Board of Directors, upon the payment of any applicable transfer fee, as set, from time to time, by the Board of Directors.

Section 8. Purchases by Credit Union Officials or Employees; Discounting. No officer, member of the Board of Directors, member of the Credit Committee or the Supervisory Committee, or employee or agent of the credit union may, directly or indirectly, as an individual, purchase from another member of the credit union one or more shares in the credit union. No member of the credit union may purchase shares from another member at a discount.



## Article VII

### Loans

Section 1. Loans to Members. Loans may be made to any member of the credit union, upon approval of the Credit Committee or the Manager of the credit union, in accordance with the terms, limitations, and conditions provided in the Act, the Indiana Uniform Consumer Credit Code, and the Risk-Based Lending Policy of the credit union, last revised April 6, 2006, as such policy may be revised or amended, from time to time, by the Board of Directors.

Section 2. Unsecured Loans. The total unsecured obligations of a member shall at no time exceed the maximum amount prescribed in the Act.

Section 3. Applications, Default, and Payment on Demand. Except for line of credit loans as provided for in IC 28-7-1-17.5, all applications for loans shall state specifically the purpose for which the money is borrowed. If a member defaults on a loan, in the payment of principal and/or interest, the loan shall become due and payable in full and on demand or at the discretion of the Board of Directors. When the facts stated in the application for a loan are found to be misrepresented or the proceeds of the loan have been used for purposes other than those for which the loan was granted, the loan shall become immediately due and payable. In addition, in the event the Board of Directors shall deem any loan not safe for any reason whatsoever, additional security or immediate repayment of the loan may be demanded.

Section 4. Notes and Security. All loans to a member of the credit union shall be evidenced by notes signed by each debtor. Security for loans made by the credit union may include the signature of one or more co-makers or endorsers, provided such co-makers' or endorsers' credit worthiness is sufficient to support such loan. Security may include also such other collateral as permitted by the Act or other applicable statute.

Section 5. Amounts and Terms. The amount of any loan to a member, the maturity, and the terms for repayment shall be subject to the Risk-Based Lending Policy of the credit union, last revised April 6, 2006, as such policy may be revised or amended, from time to time, by the Board of Directors, at the time such loan is granted and shall be made in accordance with the provisions of the Act.

Section 6. Appeals. Any member may appeal the adverse action taken by the Credit Committee with respect to a loan application to the Board of Directors, whose decision in the matter shall be final. Appeals must be delivered, in writing, to the credit union within ten (10) days after the member receives notification of the adverse action. This written appeal shall be deemed to be notice to the Chairperson of the Credit Committee. Within a period not to exceed ten (10) days after such appeal is received, the Board of Directors shall take action thereon and notify the member and the Chairperson of the Credit Committee in writing of its decision. In the event of any adverse action taken by the credit union on a loan application, the credit union shall provide such notifications, and take such actions, as are required by the Federal Equal Credit Opportunity Act and its implementing regulation.

Section 7. Loan Policies. The Board of Directors of the credit union shall, by resolution, establish the loan policies of the credit union, which shall be adhered to by the Credit Committee, the Manager of the credit union, and the loan officers.

Section 8. Interest Refunds. Interest refunds on loans may be made in accordance with the provisions of IC 28-7-1-9.

## Article VIII

### Passbooks and Statements

Section 1. Passbooks. Except as otherwise provided in these By-laws, each member shall receive a passbook in which shall be entered all monies paid by such member to the credit union on account of shares and loans, all monies withdrawn by such member, and all other debits and credits in connection with each account with the credit union. Each entry in such passbook shall be initialed by the officer or employee authorized to receive or pay out money. If a passbook is lost or stolen, the member shall immediately notify an officer of the credit union and may obtain a duplicate passbook upon establishing his/her right to same and paying a reasonable fee, if any, for a preparation of same.

Section 2. Statements. In lieu of a passbook, the credit union may issue receipts to members for all payments received by the credit union on account of shares and loans. Withdrawals shall be evidenced by withdrawal slips signed by the member or by credit union checks endorsed by the member, except in the case of share draft accounts, in which case, the signed share draft by the member shall serve as the otherwise required withdrawal slip. When passbooks are not used, each member shall be furnished a statement showing all debits and credits in connection with his/her account. Statements shall be issued by the credit union at the end of each dividend period.

## Article IX

### Reserve Funds

Section 1. Regular Reserve. A reserve fund shall be established and maintained according to the provisions of IC 28-7-1-24 or the regulation of the Department of Financial Institutions, as prescribed therein. Losses of any nature incurred by the credit union shall be charged to the regular reserve unless and until depleted, at which time additional losses shall be charged to any special reserve for delinquent loans. Any sums recovered on losses previously charged to the reserve shall be credited to same.

Section 2. Special Reserve for Delinquent Loans. Whenever the sum of the formula for delinquent loans, as prescribe in IC 28-7-1-24, shall exceed the amount in the credit union's regular reserve, a special reserve for delinquent loans shall be established and maintained to supplement such regular reserve by an amount equal to such excess. The requirement for such special reserve may be waived by the Director of the Department of Financial Institutions upon written application by the Board of Directors.

Section 3. Maintenance of Reserve Funds. The reserve funds shall be the property of the credit union and shall be held to meet contingencies and cover losses. No share in such reserve funds shall be claimed by any member, except on dissolution of the credit union in accordance with the Act.

## Article X

### Member Conduct Affecting Continued Membership

Section 1. Share Defaults. A member failing to make payment upon shares when due, unless excused therefrom for cause by the Board of Directors, may be required to pay a fine at the rate of two percent (2%) per month for the amount in default, except that in no case shall the fine be less than one dollar (\$1.00). If the default in the payment on shares continues for a period of three (3) months, the Board of Directors, in its discretion, may terminate the defaulting member's membership or suspend the member's privileges of membership, as applicable.

Section 2. Other Defaults, Criminal Conduct, Etc. The Board of Directors may, in its discretion, expel any member from membership in the credit union for all or any of the following reasons: (1) the member has defaulted in his/her payment or other obligations to the credit union and has failed or refused to cure such default, if otherwise curable, after reasonable notice thereof; (2) the member has been convicted of any felony or misdemeanor under the laws of Indiana or any other state or under the Federal laws of the United States; (3) the member neglects or refuses to comply with the provisions of the Act or in these By-laws applicable to such member; or (4) the member becomes insolvent or becomes the subject of a bankruptcy case filed under the United States Bankruptcy Code, as amended; provided, however, any such expulsion shall not be undertaken by the Board of Directors if and to the extent the expulsion would violate provisions of the United States Bankruptcy Code or any other Federal or Indiana statute, rule, or regulation. After expulsion, the member shall have no further rights in the credit union nor to any of its benefits; however, such expulsion shall not relieve such member from any existing or remaining liability to the credit union.

Section 3. Inappropriate Behavior to Credit Union Employees. If, at any time, a member in discussing business of the credit union on the credit union's premises acts in a loud, boisterous, rude, or angry manner toward one or more employees of the credit union, the Manager of the credit union shall have the right to remove such member from the credit union's premises. If the same member shall repeat this inappropriate conduct, either on the premises of the credit union or over the telephone, the Board of Directors may, in its discretion and by majority vote, expel the member from membership. After expulsion, the member shall have no further rights in the credit union nor to any of its benefits; however, such expulsion shall not relieve such member from any existing or remaining liability to the credit union.

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Signature page to follow.]

**The existing By-Laws of the credit union have been repealed and replaced by these Amended & Restated By-Laws, and these Amended & Restated By-Laws have been approved and adopted by the Board of Directors, at a duly-called meeting of the Board of Directors this 18th day of July, 2007.**

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Thyra N. Mabry, Chairperson

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Jennifer F. Crutchfield, Vice Chairperson

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James E. Hendricks, Vice Chairperson

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David W. Fox, Secretary

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Lisa M. Tucker, Treasurer

**AMENDMENT NO. 1 TO AMENDED & RESTATED BY-LAWS OF  
INDIANAPOLIS POST OFFICE CREDIT UNION**

By the unanimous vote of the members of the Board of Directors at a regularly-scheduled Board of Directors Meeting held on September 7, 2007, Article VI, Section 6, of the Amended & Restated By-Laws of Indianapolis Post Office Credit Union was amended to read as follows:

Section 6. Dividends on Shares. Dividends on shares may be declared by the Board of Directors only after making provisions for required reserves, and, if declared, will be paid on a quarterly basis. If a dividend is declared, the amount/rate of such dividend shall be determined by the Board of Directors during the last month of the applicable quarterly dividend period, and the dividend shall be paid on the last day of the applicable quarterly dividend period (i.e., March 31st, June 30th, September 30th, or December 31st) on all fully-paid shares outstanding on that date. Those shares which become fully-paid during a particular quarterly dividend period and are still outstanding when the dividend payment is to be made shall be entitled to a proportionate part of such dividend. Dividends will not be paid in cash or by check, but will be credited to the member's share account on the specified dividend payment date.

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Thyra N. Mabry, Chairperson

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Jennifer F. Crutchfield, Vice Chairperson

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James E. Hendricks, Vice Chairperson

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David W. Fox, Secretary

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Lisa M. Tucker, Treasurer