

**AMENDED AND RESTATED
BYLAWS OF
iQ CREDIT UNION**

ARTICLE I. NAME & PURPOSE

Section 1. Name. The name of this Credit Union is iQ Credit Union.

Section 2. Purpose. The purpose of this Credit Union is to cooperatively provide service and benefits to its members through the principle of mutual self-help.

ARTICLE II. QUALIFICATION FOR MEMBERSHIP

Section 1. Membership. Membership in the Credit Union is limited to those persons listed in the Field of Membership Appendix attached to these Bylaws, which is incorporated into and made a part of these Bylaws by this reference.

Section 2. Eligibility. In order for an applicant to be eligible to join the Credit Union, the applicant must:

- ◆ Qualify within the Credit Union's Field of Membership.
- ◆ Agree to purchase one share in the Credit Union.
- ◆ Submit an application to the Credit Union.
- ◆ Agree to pay a Credit Union's membership application fee, if any.
- ◆ Not have caused the Credit Union a loss. Those persons who have caused the Credit Union a loss, and who have not repaid or are not repaying the loss, shall not be eligible for membership in the Credit Union.

Each member will be assigned an individual account number. Only one person is designated as the member for that account number. No one becomes a member simply by being a joint owner on an account with a member. Rather, in order to become a member, a joint owner must qualify for membership (including not causing the Credit Union a loss), complete a membership application, open a separate share account and purchase one share, and be assigned a separate account number.

Section 3. Approval of Applications. Applicants shall only become members of the Credit Union upon approval by the Credit Union.

Section 4. Maintenance of Membership. In order to remain qualified for membership, a member must maintain at least one share in the Credit Union. A person withdrawing all shareholdings ceases to be a member of the Credit Union, and must re-qualify for membership. Once qualified, however, a member in good standing shall remain a member of the Credit Union regardless of whether the member currently meets the field of membership qualifications set forth in these Bylaws.

Section 5. Member Duties. It shall be the duty of each member (a) to keep the Credit Union informed of such member's current address (b) to comply with these Bylaws and policies adopted by the Board, (c) to refrain from any willful destruction or damage to Credit Union property, and (d) to act with civility in all dealings with officers and employees of the Credit Union. In the event a member fails to keep the Credit Union informed of his/her current address, the Credit Union may engage a locator service and a charge may be made to the member's share account for the actual costs of any necessary locator services.

Section 6. Expulsion. The Credit Union may expel a member for cause immediately. For the purposes of this section, "for cause" includes, but is not limited to any abusive or threatening conduct to a Credit Union official or employee or any unlawful conduct or activity affecting the Credit Union; failing to comply with the member duties, causing the Credit Union a loss, failing to maintain his or her share balance required for admission to membership, and failing to increase the balance to at least the minimum of one share within one (1) month of the reduction. The Board of Directors may delegate to the President/CEO the power to act on the expulsion or reinstatement of any member.

The Credit Union shall notify any affected person of his or her expulsion, and the reasons upon which it is based. Upon request, the Credit Union shall allow a person to challenge the expulsion and seek reinstatement. Persons seeking reinstatement must notify the Credit Union, in writing, of the reasons for their challenge. Such challenge may take place either in person or through a written testimonial, and may, at the Board's discretion, be considered at a meeting of Credit Union's Board of Directors or the Board's Executive Committee. Reinstatement determination shall be final, and shall be recorded in the Credit Union's records.

Amounts paid in on shares or deposited in the Credit Union by a member who has been expelled shall be paid to the member after deducting any amounts due to the Credit Union, as permitted by applicable law. Expulsion does not relieve a member from any outstanding liabilities owed to the Credit Union.

ARTICLE III. ANNUAL MEMBERSHIP MEETING

Section 1. Time of Annual Membership Meeting. The Credit Union's Annual Membership Meeting shall be held no later than one hundred twenty (120) days after the close of the calendar year, unless the Credit Union's Board of Directors sets another date for the meeting, and notifies members as provided in Section 3 of this Article. The meeting will be held after 6:00 pm on a weekday.

Section 2. Place of Annual Membership Meeting. The Credit Union's Annual Membership Meeting shall be held within Clark County, Washington, at a date, time and place, as designated by the Credit Union's Board of Directors.

Section 3. Notice of Annual Membership Meeting. Notice of the Credit Union's Annual Membership Meeting shall be published and mailed or e-mailed to the members not less than twenty (20) nor more than one hundred twenty (120) days prior to the date of the meeting. The notice of the Credit Union's Annual Membership Meeting shall include both the time and place of the meeting.

Section 4. Quorum. For the purpose of an Annual Membership Meeting, fifteen (15) members shall constitute a quorum. Meetings adjourned for failure to reach a quorum shall be reconvened by following those timing and notification requirements adopted for Special Membership Meetings in Article IV Section 2 and Section 3, except that the notice of the adjourned meeting shall state that the meeting could not be held as originally scheduled because of failure to obtain a quorum according to the Credit Union's Bylaws.

Section 5. Voting Eligibility. Each member shall have one vote, regardless of shares held in the Credit Union. In order to be eligible to vote the member must have reached eighteen years of age, and have been a member for three (3) consecutive months. No votes may be cast by proxy. Membership held by entities other than natural persons shall have one vote, which shall be cast through an agent designated by the entity.

Section 6. Changing Nomination/Election Procedures. No change in the nominations or election procedures may be made between November 30 and the Annual Meeting.

Section 7. Parliamentary Procedure. Meetings held under this section shall be conducted according to those rules of parliamentary procedure described in the most current version of Democratic Rules of Order, except those rules that conflict with these Bylaws, or with other procedures adopted by the Board.

Section 8. Nominating Committee. At a regular Board meeting, at least one hundred twenty (120) days preceding the Annual Membership Meeting, the Chair of the Credit Union's Board of Directors shall appoint a Nominating Committee. The Nominating Committee shall consist of four Credit Union members, at least two of whom shall not be officials of the Credit Union. No member serving on the Nominating Committee may be seeking election at the Credit Union. The Nominating Committee shall nominate at least one qualified member for each Board and Audit Committee vacancy to be filled at the next election. The Nominating Committee shall file its nominations with the Secretary of the Credit Union at least ninety (90) days prior to the Annual Membership Meeting.

Section 9. Nomination by Petition. Any qualified member who wishes to be a candidate for the Credit Union's Board of Directors or Audit Committee, and who meets the Credit Union's candidate eligibility requirements, if any, must collect the names of two thousand (2,000) members of the Credit Union and submit a petition to the Credit Union's Nominating Committee at least seventy (70) days before the Annual Membership Meeting.

Section 10. Nominations from the Floor. Nominations will not be accepted from the floor at the Annual Meeting, unless there are no candidates for a position.

Section 11. Elections; Voting. When only one member is nominated for each position to be filled, the Board Chair may declare each nominee elected by general consent or acclamation and announced at the Annual Membership Meeting. If sufficient nominations are made by the Nominating Committee or by petition, to provide more than one nominee for any position to be filled, an election shall be conducted using secret balloting. The Board shall determine the method of voting at least sixty (60) days prior to the Annual Membership Meeting. The Board may provide for mail balloting, electronic balloting, phone balloting, or any combination thereof. The Secretary shall make ballots and voting instructions available to all members in accordance with procedures specified by the Board at least 30 days before the date of the Annual Meeting.

Section 12. Election by Majority Vote. The candidates receiving the greatest number of votes shall be elected. In the event of a tie vote, the Chair of the Credit Union's Board of Directors shall determine the run-off election procedure to be used by the Credit Union.

Section 13. Retention of Ballots. After completion of the election, the ballots will be retained for a minimum of one (1) year.

ARTICLE IV. SPECIAL MEMBERSHIP MEETING

Section 1. Initiation of Special Membership Meeting. A Special Membership Meeting may be called by the majority vote of the Credit Union's Board of Directors, a majority vote of the Credit Union's Audit Committee, or upon written application of the lesser of ten percent (10%) or two thousand (2,000) members. The request for a Special Membership Meeting must be submitted in writing to the Secretary of the Credit Union's Board of Directors. The request must specifically state the purpose or purposes for which the meeting has been called. No business other than that specified in the request shall be transacted at a Special Membership Meeting. If the Special Membership Meeting is being called for the removal of one or more Directors, the request shall state the name of the Director or Directors whose removal is sought. If a petition seeks removal of all directors, it may not offer replacement directors. If all directors are removed, nominations from the floor for new directors will be taken and acted upon.

Section 2. Time & Place of Special Membership Meeting. Upon receiving an acceptable request for a Special Membership Meeting, the Secretary shall designate the time and place for the Special Membership Meeting. The meeting will be held in a meeting place designated by the Board. The meeting will be held after 6:00 pm on a weekday. Special Membership Meetings shall take place no sooner than twenty (20) days and no later than ninety (90) days after receiving a request for a Special Membership Meeting. Special Membership Meetings shall be held within Clark County,

Washington. If the Secretary has not verified the presence of sufficient valid signatures on the petition before sending the Special Meeting Notice, then notice will include a statement indicating that the meeting will be cancelled if it is determined that the petition lacks valid signatures.

Section 3. Notice of Special Membership Meeting. The Secretary shall notify members of the Special Membership Meeting. Notification of the meeting shall be published and mailed or e-mailed within ten (10) days of receiving the request for the Special Membership Meeting. The notice of the Special Membership Meeting shall include the purpose for which the Special Meeting is being called. If the Special Membership Meeting is being called for the removal of one or more Directors, the notice shall also state the name of the Director or Directors whose removal is sought.

Section 4. Quorum. For the purpose of a Special Membership Meeting, fifty (50) members shall constitute a quorum. Meetings adjourned for failure to reach a quorum shall be reconvened by following those timing and notification requirements adopted for Special Membership Meetings in Section 2 and Section 3, except that the notice of the adjourned meeting shall state that the meeting could not be held as originally scheduled because of failure to obtain a quorum according to the Credit Union's Bylaws.

Section 5. Voting Eligibility. Each member shall have one vote, regardless of shares held in the Credit Union. In order to be eligible to vote at a Special Membership Meeting, the member must have reached eighteen years of age, and have been a member for three (3) consecutive months. No votes may be cast by proxy. Membership held by entities other than natural persons shall have one vote, which shall be cast through an agent designated by the entity.

Section 6. Parliamentary Procedure. Meetings held under this section shall be conducted according to those rules of parliamentary procedure described in the most current version of Democratic Rules of Order, except those rules that conflict with these Bylaws, or with other procedures adopted by the Board.

Section 7. Nominations from the Floor. Nominations will be accepted from the floor at the Special Membership Meeting.

Section 8. Voting Procedure. The Board shall determine the method of voting for the Special Meeting after receiving a request for Special Membership Meeting initiated in accordance with these Bylaws. Voting shall be conducted by using a secret ballot. The Board may provide for mail balloting, electronic balloting, phone balloting, or any combination thereof. Alternatively, the Board Chair may appoint an independent firm to serve as the election teller. If a purpose of the Special meeting is to elect one or more directors or audit committee members, and only one member is nominated for each position to be filled, the Chair may declare each nominee elected by general consent or acclamation at the Special Membership Meeting.

Section 9. Election by Majority Vote. The candidates receiving the greatest

number of votes shall be elected. In the event of a tie vote, the Chair of the Credit Union's Board of Directors shall determine the run-off election procedure to be used by the Credit Union.

Section 10. Retention of Ballots. After completion of the election, the ballots will be retained for a minimum of one (1) year.

Section 11. Member Access to Records. Members are permitted to submit campaign or other similar material to the Credit Union for distribution to the membership in connection with Special Membership Meetings. The members who request distribution of such material will be required to pay for the cost of distribution, in advance. Material to be distributed must identify the author and any person(s) who are requesting distribution to the membership.

ARTICLE V. BOARD OF DIRECTORS

Section 1. Composition. The Board shall consist of eleven (11) members.

Section 2. Term of Office. The term of office for Directors is 3 years. Directors' terms shall be staggered so that an equal number of terms expire each year. From time to time the Board may alter the length of term for one or more board positions in order to maintain a balance of expiring terms.

Section 3. Eligibility. In order to qualify to serve on the Credit Union's Board of Directors, a member must:

- ◆ Satisfy any bonding requirements of the Credit Union.
- ◆ Be eligible to vote in Credit Union elections and at Membership Meetings.
- ◆ Not be employed by or have been employed by the Credit Union or its subsidiaries during the past two years.
- ◆ Not be more than 60 days past due on any obligation to the Credit Union.

If a director no longer satisfies each of these eligibility requirements, the director shall no longer serve as a director. The Chair shall notify the board of the disqualification. If required by Article V, Section 13 of these bylaws, the board shall appoint an interim director to serve until the next Annual Membership Meeting.

Section 4. Regular and Special Meetings. The Credit Union's Board of Directors will have at least six regular board meetings each year, with at least one of these meetings held in each calendar quarter. A minimum number of seven (7) Board members shall constitute a quorum. A special meeting of the Board may be called at any time by the Chair of the Board or upon request to the Chair by three or more Board members. Meetings of the Credit Union's Board of Directors may take place in person, or via electronic technology in accordance with a policy established by the Board.

Section 5. Notice. The Chair shall give at least five (5) business days advance notice of any special meeting of the Credit Union's Board of Directors, however, advance meeting notice may be waived by unanimous consent of Board members. All notices will be delivered via mail, facsimile, telephone, or e-mail as the Board prescribes by resolution.

Section 6. Expenses. Directors may be compensated for services rendered to the Credit Union in their capacity as Directors, to the extent permitted by law and in accordance with a policy established by the Credit Union's Board of Directors. Irrespective of whether the Board has adopted a policy authorizing compensation, Directors may be reimbursed for reasonable expenses incurred during the performance of their duties in accordance with a policy established by the Board.

Section 7. Non-preferential Treatment. Loans extended to Directors shall be made under the same terms and conditions as those extended to other members of the Credit Union.

Section 8. Non-Delegable Powers & Duties. The Credit Union's Board of Directors shall have general direction over the business and affairs of the Credit Union. In addition to the powers and duties conferred by applicable law, the Board shall have the power and duty to conduct the following:

- ◆ Set the par value of shares and minimum number of shares required for membership in the Credit Union;
- ◆ Designate a Principal Operating Officer who shall act as the President/CEO of the Credit Union, determine the CEO's salary, and evaluate the Principal Operating Officer's performance as necessary;
- ◆ Designate such other officers of the Credit Union as may be deemed necessary by the Board of Directors;
- ◆ Establish policies governing the operation of the credit union;
- ◆ Establish the conditions under which a member may be expelled for cause;
- ◆ Fill vacancies on all Standing and Special Committees except the Audit Committee (for which the Board shall fill vacancies only as provided in Article VII, Section 10);
- ◆ Approve the Credit Union's annual operating budget;
- ◆ Designate those persons or positions authorized to execute or certify documents and records on behalf of the Credit Union; and
- ◆ Review the Audit Committee's Annual Report.

Section 9. Delegable Powers & Duties. The Credit Union's Board of Directors shall also have the powers listed under this section, however these powers may be delegated to a Committee, Officer, or employee under a policy established by the Board. The Board shall:

- ◆ Determine the maximum amount, if any, of shares and deposits that a member may hold;
- ◆ Set the rate of interest on deposits and the rate of dividends on shares and authorize

- the payment of dividends on shares;
- ◆ Approve the charge-off of losses; and
- ◆ Perform any other delegable acts required by these Bylaws or applicable law.

Committees, Officers, and employees delegated the powers listed in this section shall be subject to supervision by the Credit Union's Board of Directors.

Section 10. Fiduciary Duties. Members of the Credit Union's Board of Directors must perform their duties in a fiduciary manner as required by law.

Section 11. Authority to Remove & Suspend. The Credit Union's Board of Directors may, for cause, remove a Board Officer from office, or a Committee Member from a committee other than the Audit Committee. The Credit Union's Board of Directors may also, for cause, suspend members of the Board, and suspend members of the Audit Committee until a Special Membership Meeting is held in accordance with Article IV of these Bylaws. A Special Membership Meeting contemplating the removal of a party suspended under this section shall be held within ninety (90) days of the suspension, and Credit Union members attending the meeting shall vote on whether to permanently remove the suspended party or parties.

"Cause" for suspension includes any act or omission that, in the judgment of the Board, constitutes demonstrated financial irresponsibility, a breach of fiduciary duty to the Credit Union, or threatens the safety and soundness of the Credit Union.

Section 12. Removal by Operation of Law. A member of the Credit Union's Board of Directors shall be removed from his or her position by operation of law under the following circumstances:

- ◆ Should the Director cease to be a member of the Credit Union;
- ◆ Should the Director, unless reasonably excused by the Board, be absent from more than twenty-five percent (25%) of regularly scheduled Board meetings during a twelve (12) month period; or
- ◆ Should the Director fail to meet the requirements for bondability.

Section 13. Vacancies & Interim Directors. If the members of the Credit Union remove a Director at a Special Membership Meeting, the members may either elect an Interim Director to complete the remainder of the removed Director's term of office, or authorize the Credit Union's Board to appoint an Interim Director. All vacancies, other than those filled by members at a Special Membership Meeting, shall be filled by Interim Directors appointed by the remaining members of the Credit Union's Board of Directors. Terms scheduled to expire in less than ninety (90) days need not be filled by the Board. Interim Directors shall serve on the Credit Union's Board until the next Annual Membership Meeting.

ARTICLE VI. BOARD COMMITTEES

Section 1. Formation of Committees. The Board may create and appoint or abolish committees of the Board as it deems necessary. The duties and term of Board Committees shall be set by the Board upon formation of the Committees. After the Annual Meeting, Board Committee assignments will be made at the Board's Annual Organizational Meeting.

Section 2. Eligibility. In order to be eligible to serve on one of the Board Committees, an individual shall:

- a. Satisfy any bonding requirements of the Credit Union at all times

Section 3. Meetings. Board Committees shall meet at such times as determined by the Board, by resolution of the Committee, or by the Chair of the Committee.

Section 4. Expenses. Members of Board Committees shall not be compensated for services rendered to the Credit Union in their capacity as members of the Committee, but may be reimbursed for reasonable expenses incurred during the performance of their duties in accordance with a policy established by the Board.

Section 5. Non-Preferential Treatment. All Credit Union products and services, including loans, extended to members of Board Committees shall be made generally under the same terms and conditions as those extended to other members of the Credit Union.

ARTICLE VII. AUDIT COMMITTEE

Section 1. Composition. The Credit Union's Audit Committee shall consist of a minimum of three (3) individuals who shall be members of the Credit Union. No more than one (1) member of the Credit Union's Audit Committee may also be a member of the Credit Union's Board of Directors. All Audit Committee members shall be elected in accordance with the procedures established in Articles III and IV of these Bylaws. Persons appointed to fill vacancies occurring on the Credit Union's Audit Committee shall be chosen in accordance with the procedures established in this Article.

Section 2. Term of Office. The term of office for Audit Committee Members is three (3) years. Terms shall be staggered so that at least one term expires each year.

Section 3. Eligibility. In order to qualify to serve on the Credit Union Audit Committee, a member must:

- ◆ Satisfy the bonding requirements of the Credit Union.
- ◆ Be eligible to vote in Credit Union elections and at Membership Meetings.
- ◆ Not be an Operating Officer or employee of the Credit Union.
- ◆ Not be employed by the Credit Union nor have been employed by the Credit Union or

its subsidiaries during the past two years.

- ◆ Not serve on the Credit Union's Loan Committee or Asset Liability Management Committee.

Section 4. Meetings. The Credit Union's Audit Committee shall meet at least quarterly, with the date of the meetings to be set by the Committee. Additional meetings of the Audit Committee may be called at any time by the Chair of the Audit Committee or upon request to the Chair by two (2) Audit Committee Members. Adequate advance notice of all meetings shall be provided to each member of the Audit Committee. All notices shall be delivered via mail, facsimile, telephone, or e-mail as the Board prescribes by resolution. Meetings of the Credit Union's Audit Committee may take place in person, or via telephonic or electronic transmission.

Section 5. Expenses. Audit Committee Members may be compensated for services rendered to the Credit Union in their capacity as Audit Committee Members, to the extent permitted by law and in accordance with a policy established by the Credit Union's Board of Directors. Irrespective of whether the Board has adopted a policy authorizing compensation, Audit Committee members may be reimbursed for reasonable expenses incurred during the performance of their duties in accordance with a policy established by the Credit Union's Board of Directors.

Section 6. Non-preferential Loans. Loans extended to members of the Audit Committee shall be made under the same terms and conditions as those extended to other members of the Credit Union.

Section 7. Powers & Duties. The Credit Union's Audit Committee shall serve as a check and balance to the Credit Union's Board of Directors. All members of the Credit Union's Audit Committee may attend each regular meeting of the Credit Union's Board of Directors.

The Audit Committee shall:

- ◆ Keep fully informed of the financial condition of the Credit Union;
- ◆ Keep fully informed as to those decisions made by the Credit Union's Board of Directors;
- ◆ Perform or authorize an annual audit of the Credit Union, and report the findings of the audit, along with any recommendations, to the Credit Union's Board of Directors; and
- ◆ Make a report to members at the Credit Union's annual membership meeting.

Section 8. Authority to Suspend. By unanimous vote, the Audit Committee may, for cause, suspend a member of the Credit Union's Board of Directors, or a member of another Committee until a Special Membership Meeting is held in accordance with Article IV of these Bylaws. A Special Membership Meeting contemplating the removal of a party suspended under this section shall be held within ninety (90) days of the suspension, and Credit Union members attending the meeting shall vote on whether to

permanently remove the suspended party or parties.

“Cause” for suspension includes any act or omission that, in the judgment of the Audit Committee, constitutes demonstrated financial irresponsibility, a breach of fiduciary duty to the Credit Union, or threatens the safety and soundness of the Credit Union.

Section 9. Removal by Operation of Law. Members of the Credit Union’s Audit Committee shall be removed from their position by operation of law under the following circumstances:

- ◆ Should the Audit Committee member cease to be a member of the Credit Union; or
- ◆ Should the Audit Committee member fail to meet the requirements for bondability.

Section 10. Vacancies & Interim Committee Members. All vacancies on the Credit Union’s Audit Committee shall be filled by Interim Committee Members appointed by the remaining members of the Audit Committee. However, terms scheduled to expire in less than ninety (90) days need not be filled. Should two or more positions on the Credit Union’s Audit Committee become vacant at the same time, the Credit Union’s Board of Directors shall be responsible for appointing two or more interim Audit Committee members. Interim members of the Credit Union’s Audit Committee shall serve until the next Annual Membership Meeting. At that time, an election will be held to fill the balance of the original term of the position, if necessary.

ARTICLE VIII. EXECUTIVE COMMITTEE

Section 1. Election of Officers. At the first meeting following the Credit Union’s Annual Membership Meeting, the Credit Union’s Board of Directors shall elect: a Chair, one or more Vice-Chairs, a Secretary, a Treasurer, and such other Officers as the Board from time to time deems advisable. The offices of Chair and Vice-Chair must be held by elected Board members, however the offices of Secretary and Treasurer may be held by persons who are not elected Board members, and may be held by the same person. Board Officers shall continue to hold office until either their successors are elected and qualified, or until death, resignation, or removal.

Section 2. Duties of the Chair. It is the duty of the Board Chair to preside at Membership Meetings and meetings of the Credit Union’s Board of Directors, appoint persons to the Credit Union’s Standing and Special Purpose Committees, sign instruments requiring the Chair’s signature, and perform other customary duties of office.

Section 3. Duties of the Vice Chair. Persons elected to the office of Vice Chair must perform the duties of the Board Chair in his or her absence, and any other duties prescribed by the Board.

Section 4. Duties of the Treasurer. The Treasurer shall act as custodian over funds, securities, books of account, and all other valuable Credit Union papers. The Treasurer

shall cause proper books of entry containing in detail the financial transactions of the Credit Union to be kept. In absence of the Treasurer, the Board of Directors may delegate the Treasurer's duties to the Secretary.

Section 5. Duties of the Secretary. The Secretary shall cause correct records of all meetings of Credit Union members, meetings of the Credit Union's Board of Directors, and records of Audit Committee reports to be kept. The Secretary is required to assure that notices of all Membership Meetings are provided in accordance with the manner prescribed by these Bylaws, and perform any duties prescribed by the Board.

Section 6. Removal of Board Officers. The Credit Union's Board of Directors may remove any Board Officer from their official position for cause. "Cause" includes any act or omission that, in the judgment of the Board, constitutes demonstrated financial irresponsibility, a breach of fiduciary duty to the Credit Union, or threatens the safety and soundness of the Credit Union.

Section 7. Vacancies & Interim Officers. In the event of absence or disability of an Officer of the Board, the Chair of the Credit Union's Board shall appoint a remaining member of the Board to act as Interim Officer. If the absence or disability proves to be permanent, the remaining Board members shall elect a member of the Board to complete the Officer's term.

ARTICLE IX. SHARES & DEPOSITS

Section 1. Par Value. The par value of one share shall be five dollars (\$5.00).

Section 2. Withdrawal. Shares and deposits may be withdrawn at any time, however the Credit Union may require up to ninety (90) days' notice of intention to withdraw shares or deposits. In the event that the Credit Union requires notice of intention to withdraw, a member who has filed a notice of intention to withdraw the entire balance of their account may not exercise the voting privilege of Credit Union membership.

Section 3. Dividends. Dividends on dividend bearing accounts may be paid from current undivided earnings which remain after deduction of expenses and the amounts required for reserves, or from the undivided earnings that remain from preceding periods.

Section 4. Interest. Interest rates on interest bearing accounts, if applicable, may be set from time to time by the Credit Union.

Section 5. Non-Negotiability of Shares. Shares in the Credit Union are non-negotiable. Shares in the Credit Union may not be purchased directly from a member of the Credit Union.

ARTICLE X. LOANS & INVESTMENTS

Section 1. Loans. Loans may be granted to any member of the Credit Union in good standing. All loans shall be evidenced by records adequate to support enforcement or collection of the loan, and periodically reviewed for safety and soundness. All loans shall be authorized and approved as provided by these Bylaws.

Section 2. Liability for Indebtedness upon Withdrawal. Any member with outstanding loans or debts owed to the Credit Union, who severs their relationship with the Credit Union, shall not be relieved of any outstanding liabilities owed, and may be required to immediately discharge their indebtedness to the Credit Union, or may be allowed to repay their debts as initially agreed.

Section 3. Investments. The Credit Union shall make all investments in accordance with applicable law and under policies established by the Credit Union's Board of Directors.

ARTICLE XI. INDEMNIFICATION

The Credit Union shall indemnify its directors, officers, committee members, and employees to the fullest extent permitted under the Washington Credit Union Act and (as incorporated by reference) the Washington Business Corporation Act. To the extent that the Washington Credit Union Act or Washington Business Corporation Act permits greater indemnification than set forth in this Article, the Credit Union shall indemnify the individual to the fullest extent permitted under the Washington Business Corporation Act or the Washington Credit Union Act.

Section 1. Indemnification. Except as provided in Section 2, the Credit Union shall indemnify a current or former director, officer, committee member, or employee, who is made a party to a proceeding because the person is or was a director, officer, committee member, or employee, against liability incurred in the proceeding and for reasonable expenses incurred in connection with the proceeding if:

- a. The person acted in good faith; and
- b. The person reasonably believed
 - i. In the case of conduct in the person's official capacity with the Credit Union, that the person's conduct was in the Credit Union's best interests; and
 - ii. In all other cases, that the person's conduct was at least not opposed to its best interests; and
- c. In the case of any criminal proceeding, the person had no reasonable cause to believe that the person's conduct was unlawful.

Section 2. Limits on Indemnity. The Credit Union shall not indemnify a person under Section 1:

- a. In connection with a proceeding by or in the right of the Credit Union in which the person is adjudged liable to the Credit Union; or
- b. In connection with any other proceeding charging improper personal benefit to the person, whether or not involving action in the person's official capacity, in which the person is adjudged liable on the basis that the person improperly received personal benefit.

Section 3. Advances for Expenses. The Credit Union shall pay for or reimburse the reasonable expenses incurred by a person who is a party to a proceeding described in Section 1 before disposition of the proceeding, if:

- a. The person furnishes the Credit Union with a written affirmation of the person's good faith belief that the person has met the standard of conduct described in Section 1; and
- b. The person furnishes the Credit Union with a written undertaking to repay the advance if it is ultimately determined that the person did not meet the standard of conduct described in Section 1.

Section 4. Authorization of Indemnity. Any determination as to indemnity or for advance of expenses under this section will be made by majority vote of disinterested Directors.

Section 5. Insurance. The Credit Union may purchase and maintain insurance on behalf of any individual who is or was a Director, Officer, Committee Member, employee or agent of the Credit Union against liability incurred by the person, whether or not the Credit Union would have had the power to indemnify the individual against the same liability under the provisions of this section or the laws of the state of Washington.

ARTICLE XII. MISCELLANEOUS PROVISIONS

Section 1. Bondability. Each Director, Officer, Audit Committee Member and employee of the Credit Union shall be bonded in accordance with conditions established by regulatory authority.

Section 2. Conflict of Interest. No Director, Officer, Audit Committee Member or employee of the Credit Union may have a pecuniary interest in any contract or transaction with the Credit Union unless this interest is disclosed and made known to the Board of Directors. No Director or Committee Member of the Credit Union shall participate in the deliberation of any question affecting their own pecuniary interest. Such Director or Committee Member shall withdraw from the deliberation and decision upon such interest. For the purposes of this section, decisions on matters that apply generally to the Credit Union membership or to a particular type of account or service (such as rates, fees, or policies for services) do not create a conflict of interest.

Section 3. Emergency Operations. In the event of an emergency sufficient to disrupt customary Credit Union operations, the Credit Union shall conduct its affairs under guidance from the Credit Union's Board of Directors and subject to any governmental directives. Emergency operations shall be conducted under the Business Resumption Contingency Plan (BRCP) or any plan approved by the Credit Union's Board of Directors.

Section 5. Conformity. Any section or provision of these Bylaws in conflict with the laws of the State of Washington or the laws of the United States is deemed to be amended to conform to law. Any matter relating to the authority, control, management, or operation of this Credit Union, or any privileges granted by the Credit Union under law, but not specifically set forth in these Bylaws, may be carried out, granted, and exercised according to the provisions of law.

ARTICLE XIII. AMENDMENT & INITIAL CERTIFICATION

The Credit Union's Board of Directors may amend these Bylaws by majority vote at any regular or special Board meeting called for that purpose.

Certification of Secretary

The undersigned Officer hereby certifies that the foregoing Bylaws were adopted at a meeting of the Credit Union's Board of Directors held on the date below.

Dated: _____

Signature of Secretary

Secretary's Name (Type or Print)

**Field of Membership Appendix
To the Bylaws of IQ Credit Union**

The Credit Union's field of membership is limited to the following persons:

Occupational Groups

A. Approved Occupational Groups

Employees of the Credit Union or any of its credit union service organizations; date of regulatory approval: _____

Employees of HealthTek Pharmacy and Medical

Employees of Columbia Machine; date of regulatory approval: 10/27/95

Employees of Matrix Communications, Inc.; date of regulatory approval: 10/26/95

Employees of Christiansen Shipyards, LTD; date of regulatory approval: 12/8/95

B. Small Occupational Groups

Employees of any of the enterprises listed as small occupational groups (SOGs) on the attached SOG Control Log; date of regulatory approval of SOG enabling amendment: 1994/1995

C. Other Natural Persons, Enterprises and Organizations.

- The directors, employees, volunteers, and retirees of any of the above described enterprises or their subsidiaries or affiliates.
- Natural persons under contract to work for any of the above described enterprises or their subsidiaries or affiliates.
- Family members (related by blood, marriage, or legal contract or persons who are cohabiting for the purpose of forming a family unit) of any of the above described natural persons.
- The spouses of any of the above-described natural persons if the person qualified for membership at the time of his or her death.
- The above described enterprises and their subsidiaries and affiliates.
- Enterprises and organizations more than half of whose owners, members or employees are eligible to be members of the Credit Union

Associational Groups

A. Approved Associational Groups

Alumni of Washington State University – Vancouver Campus; date of regulatory approval: 1996

Members of Sons of Norway; date of Board approval: 10/16/96

Volunteer members of Hough Foundation; date of Board approval: 10/16/96

Member of Chapter 935 of American Association of Retired Persons (AARP); date of Board approval: 9/16/97

Member of Friends of Pacific Foundation for Blind Children; date of Board approval 3/20/2013.

B. Other Natural Persons, Enterprises and Organizations

- The directors, employees, volunteers and retirees of any of the above-described organizations or their subsidiaries or affiliates
- Natural persons under contract work for any of the above-described organizations or their subsidiaries or affiliates
- Family members (as determined by the Credit Union) of any of the above-described natural persons
- The spouse of any of the above-described natural persons if the person qualified for membership at the time of his or her death
- The above-described organizations and their subsidiaries and affiliates
- Organizations and enterprises more than half of whose owners, members or employees are eligible to be members of the Credit Union

Communities (Including Neighborhoods and Rural Districts)

A. Approved Communities

B. Aggregate Communities

All persons who live, work, worship or go to school in the following qualified communities’ described as school districts within the State of Washington, as follows:

**iQ Credit Union
Addendum to Bylaws – FOM
Washington State School Districts**

Aberdeen	Evergreen (Clark)	Mount Pleasant	Selkirk
Adna	Evergreen (Stevens)	Mount Vernon	Sequim
Almira	Federal Way	Mukilteo	Shaw Island
Anacortes	Ferndale	Naches Valley	Shelton
Arlington	Fife	Napavine	Shoreline
Asotin-Anatone	Finley	Naselle Grays River	Skamania
Auburn	Franklin Pierce	Nespelem	Skykomish
Bainbridge Island	Freeman	Newport	Snohomish
Battle Ground	Garfield	Nine Mile Falls	Snoqualmie Valley
Bellevue	Glenwood	Nooksack Valley	Soap Lake
Bellingham	Goldendale	North Beach	South Bend
Benge	Grand Coulee Dam	North Fanklin	South Kitsap
Bethel	Grandview	North Kitsap	South Whidbey
Bickleton	Granger	North Mason	Southside
Blaine	Granite Falls	North River	Spokane

Boistfort	Grapeview	North Thurston	Sprague-Lamont
Bremerton	Great Northern	Northport	St John
Brewster	Green Mountain	Northshore	Stanwood-Camano
Bridgeport	Griffin	Oak Harbor	Star
Brinnon	Harrington	Oakesdale	Starbuck
Burlington-Edison	Highland	Oakville	Stehekin
Camas	Highline	Ocean Beach	Steilacoom Hist.
Cape Flattery	Hockinson	Ocosta	Steptoe
Carbonado	Hood Canal	Odessa	Stevenson-Carson
Cascade	Hoquiam	Okanogan	Sultan
Cashmere	Inchelium	Olympia	Summit Valley
Castle Rock	Index	Omak	Sumner
Centerville	Issaquah	Onalaska	Sunnyside
Central Kitsap	Kahlotus	Onion Creek	Tacoma
Central Valley	Kalama	Orcas	Taholah
Centralia	Keller	Orchard Prairie	Tahoma
Chehalis	Kelso	Orient	Tekoa
Cheney	Kennewick	Orondo	Tenino
Chewelah	Kent	Oroville	Thorp
Chimacum	Kettle Falls	Orting	Toledo
Clarkston	Kiona Benton	Othello	Tonasket
Cle Elum – Roslyn	Kittitas	Palisades	Toppenish
Clover Park	Klickitat	Palouse	Touchet
Colfax	La Conner	Pasco	Toutle Lake
College Place	LaCenter	Pateros	Trout Lake
Colton	Lacrosse	Paterson	Tukwila
Columbia (Stevens)	Lake Chelan	Pe Ell	Tumwater
Columbia (Walla Walla)	Lake Quinalt	Peninsula	Union Gap
Colville	Lake Stevens	Pioneer	University Place
Concrete	Lake Washington	Pomeroy	Vader
Conway	Lakewood	Port Angeles	Valley
Cosmopolis	Lamont	Port Townsend	Vancouver
Coulee/Hartline	Liberty	Prescott	Vashon Island
Coupeville	Lind	Prosser	Wahkiakum
Crescent	Longview	Pullman	Wahluke
Creston	Loon Lake	Puyallup	Waitsburg
Curlew	Lopez	Queets-Clearwater	Walla Walla
Cusick	Lyle	Quilcene	Wapato
Damman	Lynden	Quillayute Valley	Warden
Darrington	Mabton	Quincy	Washougal
Davenport	Mansfield	Rainier	Washtucna
Dayton	Manson	Raymond	Waterville
Deer Park	Mary M. Knight	Reardan-Edwall	Wellpinit

Dieringer	Mary Walker	Renton	Wenatchee
Dixie	Marysville	Republic	West Valley (Spokane)
East Valley (Spokane)	McCleary	Richland	West Valley (Yakima)
East Valley (Yakima)	Mead	Ridgefield	White Pass
Eastmont	Medical Lake	Ritzville	White River
Easton	Mercer Island	Riverside	White Salmon
Eatonville	Meridian	Riverview	Whshram
Edmonds	Methow Valley	Rochester	Wilbur
Ellensburg	Mill A	Roosevelt	Willapa Valley
Elma	Monroe	Rosalia	Wilson Creek
Endicott	Montesano	Royal	Winlock
Entiat	Morton	San Juan	Wishkah Valley
Enumclaw	Moses Lake	Satsop	Woodland
Ephrate	Mossyrock	Seattle	Yakima
Evaline	Mount Adams	Sedro Woolley	Yelm
Everett	Mount Baker	Selah	Zillah

All persons who live or work, or organizations located within the community of six counties in Oregon as follows:

Clackamas, Columbia. Hood River, Multnomah, Washington and Yamhill Counties.

C. Other Natural Persons, Enterprises and Organizations

- Enterprises and organizations that have offices within the above-described communities, and natural persons under contract to work for the enterprises or organizations
- The directors, employees, volunteers or retirees of any of the above-described enterprises or organizations
- Family members (as determined by the Credit Union) of any of the above-described natural persons
- The spouse of any of the above-described natural persons if the person qualified for membership at the time of his or her death
- Enterprises and organizations more than half of whose owners, members or employees are eligible to be members of the Credit Union
- Other persons approved by director

**Small Occupational Group (SOG)
CONTROL LOG**

See Attached

Other Organizations

Organizations more than half of whose owners, members, or employees are eligible to be members of the Credit Union.

Signed on _____, 2016 and attested to by:

Chairman of the Board

Secretary