



Annual Membership Meeting

April 1, 2017 at 9:00 a.m.

The Black Canyon Conference Center

9440 N. 25th Avenue

Phoenix, AZ 85021

This credit union is federally insured by the National Credit Union
Administration

Meeting Agenda

- CALL TO ORDER CHRIS URNESS
- QUORUM PRESENT CHRIS URNESS
- CLOSE BALLOT CHRIS URNESS
- MINUTES OF THE 2016 ANNUAL MEETING AS PRINTED
- CHAIRMAN'S REPORT AS PRINTED
- CREDIT MANAGER'S REPORT AS PRINTED
- SUPERVISORY COMMITTEE'S REPORT AS PRINTED
- CEO's REMARKS ROBB SCOTT
- OLD BUSINESS CHRIS URNESS
- NEW BUSINESS CHRIS URNESS
 - Proposed bylaw changes
- ELECTION RESULTS CHRIS URNESS
- ADJOURNMENT CHRIS URNESS
- DOOR PRIZES STAFF

Deer Valley Credit Union

Annual Meeting Minutes

April 2, 2016

Vice Chairman Chris Urness called the meeting to order at 9:00 AM on Saturday, April 2, 2016, at the Black Canyon Conference Center, Phoenix, AZ. Board members present were Chris Urness-Vice Chairman, Ed Frick-Secretary, Stephen Wolfe-Treasurer, Frank Martinson-Director, Melanie Merrell-Director, Harold Kinch-Director and J.J. Petersen-Associate Director. Supervisory Committee members present were Al DuBrowa, Harshad Desai and Bill Whitecotton.

Vice Chairman Urness determined that a quorum was present and announced that the ballots were closed.

The minutes of the annual meeting on March 21, 2015 were approved as printed on the handouts provided to attendees.

The Chairman's Report, Credit Manager's Report and the Supervisory Committee's Report were accepted as printed in the 2015 annual report distributed to attendees.

Vice Chairman Urness thanked the membership for its continued support. He also thanked the staff of the credit union for their efforts throughout the year. He highlighted the written report to the membership which noted the credit union's progress towards assisting more members with loans and providing additional electronic services for members. He mentioned that DVCU is 45 years old and highlighted some historical events from 1971. He polled the members on length of membership. Many members have been with the credit union since its inception. Chris then asked the staff to stand and be recognized. He advised members of the boards' efforts and the creation of a 5 year strategic plan that will guide us going forward. He said that while he sat at the table, we has able to use our mobile app to check his balance, transfer money and deposit a check.

Robb Scott, CEO, welcomed the membership and thanked them for their support and participation in their credit union. He introduced the Board of Directors and Supervisory Committee members and the credit union employees. He highlighted the credit union's progress towards adding new members, growing member share accounts and increasing loan balances. He mentioned that 2,210 new members joined the credit union in 2015. The loan to share ratio ended the year at 67% and reserves grew to almost 9% of assets. Robb said that DVCU is the 15th largest credit union in Arizona with the largest share balance per member and the 5th largest loan balance per borrower. Robb discussed the membership survey of over 1200 members. 75% of members were very satisfied with DVCU and 21% were satisfied. 60% of

members said that they were extremely likely to recommend the credit union to friends and family members. Robb highlighted 2015 accomplishments including 1) assisting more members with loans, 2) new online banking, 3) new mobile banking app, 4) two new associate board members, 5) new loan skip payment program, and 5) continuation of our free checking account. 2016 focus areas will include additional loan grow, a rebranding effort, additional electronic services and a branch redesign process. Robb demonstrated the mobile app for attendees. Members voiced the following questions/statements:

- 1) What do members do with the paper check after remote deposit? Hold 30 days then shred
- 2) What is the minimum balance on the S11 checking account? No minimum
- 3) When will Debit cards contain the EMV chip? As they are due for reissue this year
- 4) Some merchants charge to use debit card. They should not
- 5) Where and when was the annual meeting posted? In the member letter from Feb 1st and the home page on the website

Vice Chair Urness said that there was no old or new business.

Vice Chair Urness announced that Ed Frick, Frank Martinson and Chris Urness were elected to the Board by the membership. Door prizes were drawn and distributed.

The meeting was adjourned at 9:46 a.m.

Respectfully submitted,

Ed Frick

Ed Frick, Secretary

Approved by,

Chris Urness

Chris Urness, Vice Chairman

Deer Valley Credit Union Chairman's Report

It is an honor to report on the progress we have made at the credit union in 2016. We are pleased to recognize our achievements and to thank you, our members, for helping grow your credit union again this year. I express my sincere gratitude to my fellow Board and Committee Members, Management Team, and to our Staff for their dedicated service in maintaining a healthy and prosperous organization. Collectively, we have made significant progress towards living up to our mission to provide exceptional service and incredible value to improve the financial lives of our members for a lifetime.

At the end of 2016, we had 16,500 members call Deer Valley their credit union for a strong 5.6% annual membership growth rate compared to under 2% for our peer credit unions. Just over 2,400 new members joined the credit union in 2016 versus 2,100 members in 2015 for a 15% increase in new member activity. These continued membership growth numbers help ensure a healthy mix of borrowers and savers over the long term.

Members increased their deposits by over \$10.6 million in 2016 for a 6% growth rate. Members continued to rely on our credit union for their borrowing needs. Loan balances grew by over \$18.7 million or 15% in 2016 (see credit manager report for more loan details). Only a few other credit unions in Arizona had slightly larger percentage increases.

Competition in the financial services industry continues to be fierce. Large banks, community banks, insurance companies, non-traditional financial companies, and other credit unions are battling for consumer loans and deposits. To that end, we continue to invest in products, services, training and tools to offer the best solutions for our members. In addition to our core deposit and loan products, we invested significant time and resources to bring the following enhancements to our members:

- Mobile application that rivals big bank offerings
- Advanced payment options including person-to-person and smart phone payment capabilities
- Worldwide surcharge free ATM and shared branching network
- American Express and Visa credit cards with a variety of rewards and/or low rate options
- Independent financial planning and investment advice
- Member financial education materials, training and workshops
- Social media presence through Facebook and Instagram

As a volunteer board, we have been actively involved in governance and strategic initiatives. We increased the board from nine members to eleven members and have the ability to add associate board members to groom and offer a more diverse background. The board created a 2020 vision and a 2017 strategic plan to move our credit union forward. Your board continues to ask members for their opinions on the services we should offer and how well we are meeting your needs. Over 96% of members in a recent survey indicated that they were satisfied with the service provided by DVCU. Additionally, 27% of members stated that their level of satisfaction has increased since last year. When asked, 62% of members said that they were "Extremely Likely" to recommend DVCU to family and friends.

As a not-for-profit financial institution, we will continue to work hard to earn your business and your support.
Thank you for your membership!

Greg Miller, Vice Chairman
Roger Zollinger, Director
Harold Kinch, Director
Janet Burgett Martin, Director

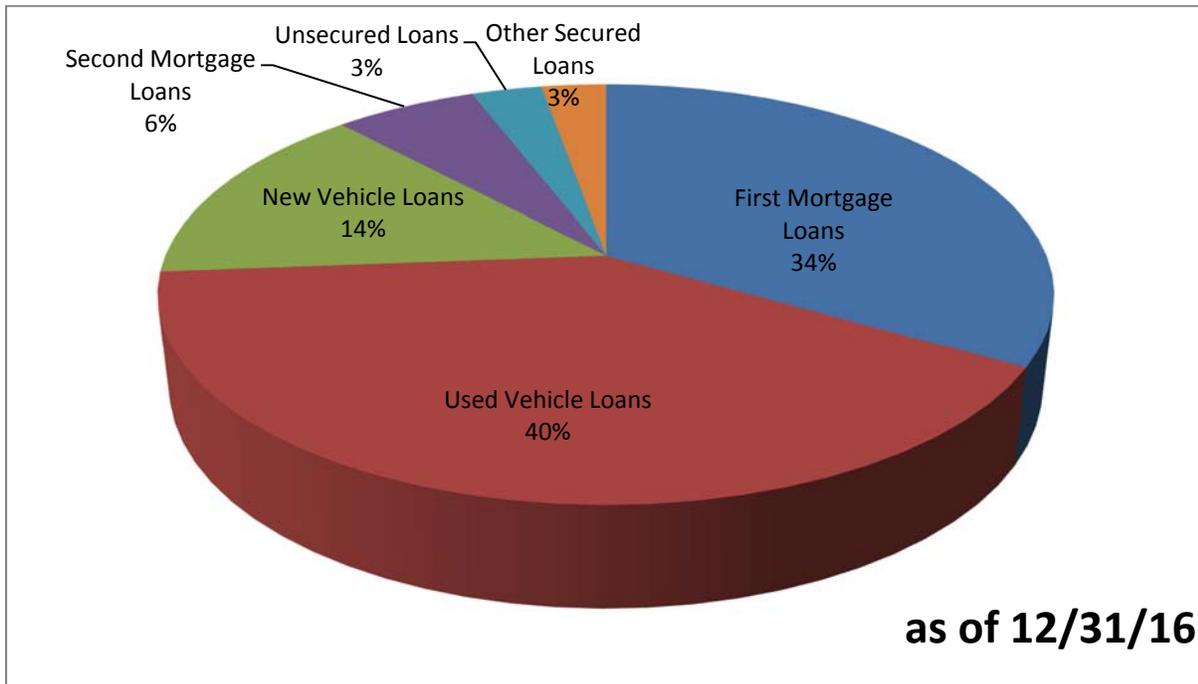
Steve Wolfe, Treasurer
Doug LaPedes, Director
Melanie Merrill, Director

Ed Frick, Secretary
Frank Martinson, Director
JJ Petersen, Director

Chris Urness
Chris Urness
Chairman

Deer Valley Credit Union Credit Manager's Report

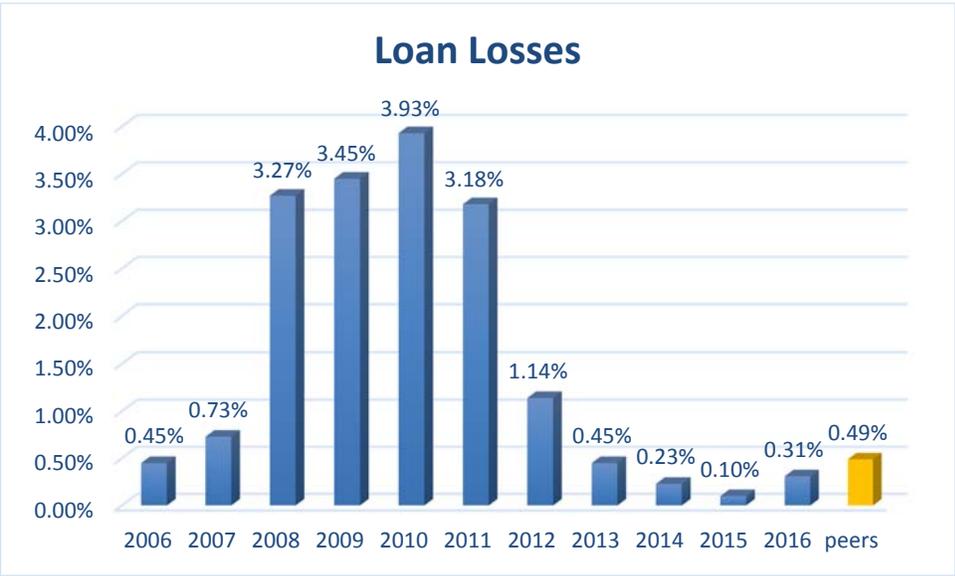
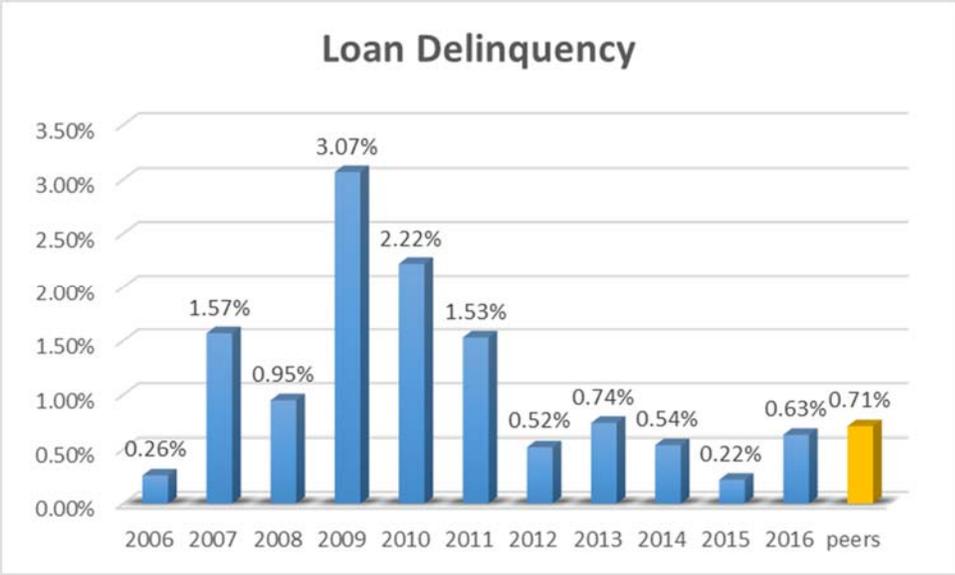
The credit union experienced strong loan demand from its members in 2016 as evidenced by over \$74.6 million being lent out for homes, vehicles and other purposes. Total loan balances increased \$18.7 million in 2016 for a 15% increase. At the end of 2016, the loan portfolio was comprised of 54% vehicle loans, 40% mortgage related loans, 3% recreational vehicle loans, and 3% unsecured loans.



During 2016, we continued to assist members with their borrowing needs by:

- Funding member vehicle loans at local dealerships.
- Funding and servicing member mortgage loans.
- Providing loan discounts to members with active Participation Checking accounts.
- Providing 1% cash back incentives to members who refinance their vehicle loans from another financial institution.
- Implementing a first time vehicle buyer program to assist younger members with their first vehicle purchase while maintaining reasonable and affordable loan balances and payments.
- Providing over 300 members with budgeting during the holidays or anytime during the year, we brought back our popular "skip-a-payment" program.

The quality of the loan portfolio is measured by the amount of delinquent loans and loan charge offs or losses. At the end of 2016, we had \$913K in loan balances that were delinquent more than 60 days for a delinquent loan to total loan ratio of 0.63%. In other words, 99.37% of loans are paying as agreed. Delinquency has been a "normal" range for the past five years and continues to be lower than our peer credit unions. Loan losses for the year were in the lower range at \$426K or 0.31% of loan balances and continues to be lower than our peer credit unions.



We look forward to serving more members with their lending needs in 2017. We will be implementing a member business loan program in the near future.

Greg Reiley
 Greg Reiley
 Credit Manager

Deer Valley Credit Union Supervisory Committee's Report

During 2016, the Supervisory Committee continued its active involvement in monitoring the credit union's operating practices and financial results, in keeping with its mission to safeguard both DVCU and member assets.

The committee contracted with Nearman, Maynard, Vallez, an independent CPA firm to perform an annual opinion audit of the financial statements, and received a clean audit opinion on our 2016 financial statements. An internal audit program, which is conducted by CU staff and reviewed by the committee quarterly, is aimed at verifying that the credit union continues to operate in a safe and sound manner. In addition to conducting its own audits of various areas of the credit union, the committee meets with credit union regulators, reviews their exam reports and ensures that management complies with audit and exam requirements.

In our opinion, the credit union is operating in accordance with applicable laws and regulations in a manner consistent with sound credit union practices and procedures.

Thank you to my fellow committee members, Harshad Desai and Bill Whitecotton, for their volunteer work over the past several years.

Al DuBrowa

Al DuBrowa
Chairman, Supervisory Committee

Statement of Financial Condition-Balance Sheet

(unaudited)

	2015	2016
<i>Assets</i>		
Cash and Overnight Deposits	\$ 12,459,670	\$ 16,718,397
Investments	57,732,509	46,189,520
Loans to Members	127,191,434	145,964,151
Allowance for Loan Losses	(1,529,768)	(1,448,342)
Land, Building & Furniture - Net	11,410,671	11,611,289
Other Assets	3,208,610	3,444,182
Total Assets	\$ 210,473,126	\$ 222,479,197
<i>Liabilities and Equity</i>		
Accrued Dividends and Other Liabilities	\$ 1,999,784	\$ 2,269,447
Total Liabilities	\$ 1,999,784	\$ 2,269,447
Share Drafts	\$ 47,126,247	\$ 50,186,267
Regular Shares	64,617,698	72,409,855
Money Markets	39,928,526	40,809,055
Share Certificates	21,532,002	20,709,551
IRA Shares and Certificates	16,787,511	16,568,719
Total Member Shares	\$ 189,991,984	\$ 200,683,447
Undivided Earnings	\$ 11,835,961	\$ 12,920,757
Reserves	6,800,151	6,800,151
Unrealized Gains(Losses) on Investments	(154,754)	(194,605)
Total Liabilities and Equity	\$ 18,481,358	\$ 19,526,303
Total Liabilities and Equity	\$ 210,473,126	\$ 222,479,197

Statement of Operations-Income Statement

(unaudited)

	2015	2016
<i>Interest Income</i>		
Interest on Loans	\$ 5,172,262	\$ 5,779,106
Interest on Investments	940,435	890,965
Total Interest Income	6,112,697	6,670,071
<i>Interest Expense</i>		
Interest on Member Deposits	282,573	272,569
Net Interest Income	5,830,124	6,397,502
Provision for Loan Losses	275,000	345,000
Net Interest Income after Provision	5,555,124	6,052,502
<i>Non-Interest Income</i>		
Fee and Other Income	2,537,374	2,710,852
Other Gains/Losses	(10,456)	28,735
Total Non-Interest Income	2,526,918	2,739,587
<i>Non-Interest Expense</i>		
Compensation and Benefits	3,705,242	4,007,774
Travel and Conference	63,558	79,805
Office Occupancy	767,348	825,747
Office Operations	1,975,898	2,233,089
Member Education & Marketing	116,644	168,345
Loan Servicing	147,358	120,004
Professional and Outside Services	146,592	129,174
Operating Fees (AZDFI)	21,470	21,915
Miscellaneous Operating Expense	89,007	121,440
Total Expenses	\$ 7,033,117	\$ 7,707,293
Net Income/(Loss)	\$ 1,048,925	\$ 1,084,796

**Deer Valley Credit Union
Contact Information**

Branches	Hours
Main Branch 16215 N. 28 th Avenue Phoenix, AZ 85053	Monday-Thursday 9:00 am – 5:00 pm Friday 9:00 am – 6:00 pm
Anthem Branch 3428 W. Anthem Way Anthem, AZ 85086	Monday-Thursday 9:00 am – 5:00 pm Friday 9:00 am – 6:00 pm
Arrowhead Branch 18559 N. 58 th Avenue Glendale, AZ 85308	Monday-Thursday 9:00 am – 5:00 pm Friday 9:00 am – 6:00 pm
Surprise Branch 15613 W. Bell Road Surprise, AZ 85374	Monday-Thursday 9:00 am – 5:00 pm Friday 9:00 am – 6:00 pm
eBranch (602)375-7300 1-800-579-5051 Email: info@dvcu.org Website: www.dvcu.org	Monday-Thursday 9:00 am – 5:00 pm Friday 9:00 am – 6:00 pm

Credit Union Shared Branches worldwide: www.cuswirl.com or linked on our home page
SurchargeFree ATM network worldwide: www.allpointnetwork.com or linked on our home page

Vehicle financing at almost every vehicle dealership in Arizona – Tell them you want your loan at DVCU!

DEER VALLEY CREDIT UNION BYLAWS

ARTICLE I NAME AND PLACE OF BUSINESS

Section 1.1 The name of this corporation shall be Deer Valley Credit Union and its principal place of business shall be in the County of Maricopa and State of Arizona.

ARTICLE II PURPOSE AND POWERS

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

ARTICLE III MEMBERSHIP

Section 3.1 Membership of this credit union shall consist of, and be limited to:

- Employees of this credit union
- Employees, contractors and retirees of the following companies:
 - Honeywell (excluding Aerospace and Defense Divisions)
 - Bull HN and Icotron
 - Aetna Retirement Services
 - Bell Technologies
 - Diehl Equipment Company
 - HB Machine, Inc.
 - Merit Behavioral Care
 - Medtek, Inc.
 - National City Processing Company
 - Robert Bein, William Frost & Associates
 - Sequencia Corporation
 - Pacfolio, LLC
 - Tominy, Inc.
 - TriWest Healthcare Alliance
 - Vensoft, Inc.
 - WANG Customer Services Operation
 - Mary Kay Cosmetics, Inc. directors affiliated with Mary Kay Career Training centers in Phoenix metropolitan area and consultants under their direction
 - NCS Pearson
 - NextPhase
 - Pediatrix

- Krieger Chiropractic
- Wesson Garage Doors
- Creative Plants
- West Wind Aviation Academy
- Cyberdyne Systems
- Shear Paradise Salon
- Hypercom Corp
- Fleming Foods, Inc. formerly Associated Grocers of Arizona, its subsidiary companies; member and affiliated stores
- Independent grocers; and family members
- Persons affiliated with the grocery industry
- Arizona Food Brokers employees and family members
- Arizona Baking Company of the Southwest employees and family members
- Zee Medical Service company employees and employees and family member of member companies
- Arizona Food Marketing Alliance employees and employees and family members of member companies
- Arizona Grocers Credit Union employees and family members
- Burger Shoppe employees and family members
- Ruan trucking employees and family members
- Arizona Machinery employees and family members
- Retired annuitants and any member of their immediate family related by blood, marriage, or adoption
- Individuals who are sponsored by a member of this credit union and organizations of such persons
- Site Imaging employees and family members
- Coremark employees and family members
- AEX employees and family members
- American Fire Equipment Sales & Service Corp
- El Armario employees and family members
- Jamison Electric Company employees and family members
- Arizona Coating Applicators employees and family members
- Shadow Mountain Transport employees and family members
- Centurion Gold Inc
- Petsmart

Person who live, work, worship, or attend school in, and businesses and other legal entities located in Phoenix, Arizona, within the boundaries beginning at the intersection of 43rd Avenue and State Highway 101, heading eastwards along State Highway 101 to Interstate 17, heading northwards along Interstate 17 to Pinnacle Peak Road, heading westwards along Pinnacle Peak Road to 35th Avenue, heading southwest along the Adobe Dam to 43rd Avenue, heading southwards along 43rd Avenue to the beginning point.

- Persons who live, work, worship in the following zip codes:

85001	85019	85046	85072	85303	85374	86329
85002	85020	85050	85073	85304	85375	86333
85003	85021	85051	85074	85305	85379	
85004	85022	85052	85075	85306	85380	
85005	85023	85053	85077	85308	85381	
85006	85024	85054	85078	85310	85382	
85007	85025	85055	85079	85311	85383	
85008	85027	85060	85080	85312	85385	
85009	85028	85061	85082	85313	85387	
85010	85029	85062	85085	85318	85388	
85011	85030	85063	85086	85324	85390	
85012	85031	85064	85087	85335	86301	
85013	85032	85065	85098	85342	86303	
85014	85033	85067	85099	85345	86305	
85015	85034	85068	85253	85351	86313	
85016	85035	85069	85254	85358	86314	
85017	85036	85070	85301	85363	86323	
85018	85038	85071	85302	85373	86327	

Section 3.2 A subscriber admitted to membership shall not become a member until qualified by paying any membership fee of a uniform sum set by the Board of Directors (Board) and subscribing and paying in full for at least one share in this credit union. The par value of shares shall be five dollars (\$5.00). A member may terminate membership and/or withdraw monies upon giving notice of intent of not more than 60 days as prescribed by the Board.

Section 3.3 Money transferred paid into or out of member accounts shall be evidenced by the credit union by an appropriate receipt. No funds shall be paid out unless a member can show proper identification to prove account ownership. When a statement of account is used, the member’s official permanent record for transactions shall be the statement of account. Statements of accounts shall be issued to members at such intervals as the Board may determine, except that annual statements of accounts shall be issued to all members following the close of the fiscal year.

ARTICLE IV
MEETINGS OF MEMBERS

Section 4.1 There shall be an annual meeting of members on a date designed by the Board. A notice of meeting shall be delivered to each member at least 30 days before such meeting. The suggested order of business at annual meetings of members is the following:

- (a) Ascertainment that a quorum is present.
- (b) Reading and approval or correction of the minutes of the last meeting.
- (c) Report of Chairman.
- (d) Report of Chief Executive Officer.
- (e) Report of the Credit Manager.
- (f) Report of the Supervisory Committee.
- (g) Unfinished business.

- (h) New business other than elections.
- (i) Elections.
- (j) Adjournment.

The order of business must comply with "Robert's Rules of Order."

Section 4.2 Special meetings may be called by the Board, Supervisory Committee or members. A special meeting shall be called within thirty (30) days of the receipt of a written request signed by 1 percent of the members. However, a request of no more than 500 members may be required for such meeting. Notice of the special meeting shall be given as provided in Section 4.1 of this Article.

Section 4.3 Fifteen (15) members shall constitute a quorum. If a quorum is not present on the date first designated for annual or special meetings of the credit union, the meetings shall recess for not more than 15 days, and a second notice shall be delivered to all members stating the time and place of the rescheduled meeting and those members present at the reconvened meeting shall constitute a quorum for the transaction of business.

ARTICLE V ELECTIONS

Section 5.1 At least 120 days prior to each annual meeting, the chair will appoint a nominating committee of not fewer than three (3) members. It is the duty of the nominating committee to nominate at least one member for each vacancy, including any unexpired term vacancy, for which elections are being held and to determine that the members nominated are agreeable to the placing of their names in nomination and will accept office if elected. The nominating committee files its nominations with the secretary of the credit union at least 60 days prior to the annual meeting, and the secretary notifies in writing all members eligible to vote at least 75 days prior to the annual meeting that nominations for vacancies may also be made by petition signed by 1% of the members with a maximum of 500.

Section 5.2 All elections will be conducted by written ballot, except where there is only one nomination for each vacancy. Ballots can be completed in person at any credit union location, in person at the meeting or through the mail. Valid ballots will be accepted from 10 days prior to the annual meeting until the annual meeting is called to order. Any election will be determined by plurality vote. Each member shall be entitled to one vote, regardless of shareholdings.

ARTICLE VI BOARD OF DIRECTORS

Section 6.1 The Board shall have general management responsibility for the affairs, funds, and records of the credit union and shall be empowered to do all things prescribed by the laws of Arizona with respect to the management of this credit union. The Board shall consist of at least 7 directors, all of whom shall be members in good standing. Directors are elected for three-year terms,

except that initial terms shall be staggered so that an approximately equal number expire each year, over a three-year period.

Section 6.2 Within thirty (30) days after each annual election, the Board shall elect from its own number a chairman, vice chairman, secretary and treasurer.

Section 6.3 The Board shall hire a Chief Executive Officer of the credit union and to be in charge of its operations.

Section 6.4 The Board shall adopt written policies of the conditions under which the operation of the credit union will be conducted.

Section 6.5 No director or committee member may be a paid employee of the credit union. No immediate family member of a director or committee member may be a paid employee of the credit union. Directors and committee members may be compensated for their time and reimbursed for credit union related expenses.

Section 6.6 The Board shall meet at least ten times during each calendar year in ten different months~~once each month~~. Regular or special meetings of the Board shall be held at such times and places as designated by the Board. The Chairman, or in his absence the Vice Chairman, may call a special meeting of the Board at any time; and shall do so upon the written request of a majority of the directors. At any meeting a majority of the number of directors shall constitute a quorum. A quorum shall be required to undertake any credit union business.

Section 6.7 If a director fails to attend regular meetings of the Board for three consecutive meetings, or otherwise fails to perform any of the duties devolving upon the position as a director, that office shall be declared vacant, unless excused for cause by the Board.

Section 6.8 Any vacancy on the Board shall be filled by vote of the majority of the remaining directors within 60 days of the vacancy. The members elected or appointed shall hold office only until next annual meeting of members of the credit union, at which time an election will be held to complete the unexpired term.

Section 6.9 Within thirty (30) days after each annual election, the Board shall appoint a Credit Manager as specified in Section 8.1.

Section 6.10 Within thirty (30) days after each annual election, the Board shall appoint a Supervisory Committee as specified in Section 8.2.

Section 6.11 Any vacancy on the Supervisory Committee shall be filled within 60 days. Those appointed by the Board to fill vacancies shall complete the unexpired term.

Section 6.12 Within thirty (30) days after each annual election, the Board shall appoint one or more membership officers to approve applications for membership. A person denied membership by a membership officer may appeal the denial to the Board.

Section 6.13 The Board shall publish and make available to the members an annual report, which shall consist of, but not be limited to, the following:

- (a) Report of Chairman
- (b) Report of Chief Executive Officer
- (c) Report of Credit Manager
- (d) Report of Supervisory Committee
- (e) Report of other committees
- (f) Year-end financial statements (as of the end of the fiscal year).

ARTICLE VII OFFICERS

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

Section 7.2 The Chairman shall preside at meetings of the members and of the Board. The Chairman shall perform all other duties customarily appertaining to the office of Chairman as may be directed by resolution of the Board consistent with the provisions of law and these bylaws.

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

Section 7.4 The Board must approve all individuals who are authorized to sign all notes of their credit union and all checks, drafts and other orders for disbursement of credit union funds.

Section 7.5 The Treasurer shall be the custodian of the funds, securities, books of account and all other valuable papers of the credit union. The Treasurer shall keep or cause to be kept a set of books containing in details all of the financial transactions of the credit union. Within 30 working days after the end of each month, the Treasurer shall prepare or cause to be prepared a detailed report showing the condition of the credit union as of the close of business on the last business day such month and submit it at its next regular meeting. The financial statement shall be posted in a conspicuous place in the office of the credit union where it shall remain until replaced by the report of the succeeding month.

Section 7.6 The Secretary shall keep or cause to be kept correct records of all regular and special meetings of the members and of the Board and such minutes shall be signed by the Secretary and attested by the Chairman when approved by the Board. The Secretary shall give notice of all meetings of the members in the manner provided in Section 4.1 and shall perform or cause to be performed all other duties incident to that office. In the event of the absence or disability of the Secretary, the presiding officer shall appoint a temporary Secretary who shall take the minutes of the meeting and file them with the minutes of the credit union meetings.

ARTICLE VIII
COMMITTEES

Section 8.1 Credit Manager

The Board shall appoint a Credit Manager. The Credit Manager shall serve in place of a Credit Committee. The credit manager may approve or disapprove loans subject to the written policies prescribed by the Board. An officer of the credit union may serve as the credit manager. The Credit Manager shall keep a record of all actions taken and shall report on such actions to the Board at the next meeting.

Section 8.2 Supervisory Committee

The Supervisory Committee shall consist of five (not less than three) members, all of who shall be members of this credit union. Committee members are appointed for three-year terms, except that initial terms shall be staggered so that an approximately equal number expire each year, over a three-year period. By the unanimous vote of its members, the Supervisory Committee may call a special meeting of the credit union members to consider any violation of the bylaws, the state credit union laws, rules of the Superintendent or to consider any credit union practice which the committee deems to be safe or unauthorized. Notice of any such special meeting shall be given in the manner provided for in Section 4.1.

Section 8.3 The Supervisory Committee makes or causes to be made, such audits, and prepares and submits such written reports, as are required by state law and regulations. The committee may employ and use such clerical and auditing assistance as may be required to carry out its responsibilities prescribed by this article, and may request the board to provide compensation for such assistance. It will prepare and forward to the state such reports as may be required.

Section 8.4 The Supervisory Committee will cause the verification of the accounts of all members with the records of the financial officer from time to time and not less frequently than as required by the state and regulations. The committee must maintain a record of such verification.

ARTICLE IX
GENERAL PROVISIONS

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

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

Section 9.3 Either the Board or the Supervisory Committee may suspend for cause by a two-thirds vote of their entire membership any director, officer or member of a committee and shall immediately notify such person in writing of the suspension and the reasons for the suspension. A suspended director, officer or committee member may request a special meeting of the members to consider that suspension. The Board shall call a special meeting for that purpose not fewer than seven days nor more than twenty-one days after that suspension, and that suspension shall be upheld or overturned by a majority of the members present. The suspended person is entitled to appear and be heard at the special meeting. In the absence of a request for a hearing, the suspension is deemed a removal from office. Approval of the suspension by the membership constitutes removal from office.

ARTICLE X
AMENDMENTS

Section 10.1 These bylaws may be amended as provided for in the laws of the State of Arizona relating to credit unions. No amendment shall become operative until approved by the Superintendent of the ~~State Banking Department~~Arizona Department of Financial Institutions and ratified by the members at an annual meeting or special meeting.

I hereby certify that the above bylaws were adopted by the Board of Directors of the Deer Valley Credit Union at a meeting held ~~November 16, 2016~~ March 15, 2017.

Edward Frick, Secretary of the Board

APPROVED ON _____

BY _____

Superintendent of the Arizona ~~State Banking Department~~Department of Financial Institutions