



MEMO

TO: Destinations Credit Union Members

FROM: Destinations Board of Directors & Executive Staff

DATE: March 1, 2023

SUBJECT: **Proposed Amendments to the Destinations Credit Union By-Laws**

During the 2023 Annual Meeting and Election to be held 5:00pm-6:30pm, Thursday, March 16, 2023, at the Holiday Inn Express Towson –Baltimore North, 1100 Cromwell Bridge Road, Towson, MD 21286, members in attendance will be asked to vote on the following By-Law* amendments. Any questions regarding these amendments can be directed via email to bylawsdcu@destinationscu.org.

**The items listed below are only from the specific portions with proposed changes and are not inclusive of the By-Laws in its entirety.*

1. The purpose of this amendment is to reduce minimum and maximum number of Directors permitted to sit on the Board.

Proposed Change to By-Law for Approval at the March 16, 2023 Annual Meeting

ARTICLE VII – Board of Directors

Section 1: The Board of Directors shall consist of no more than ~~twelve (12)~~ **nine (9)** members and not less than ~~nine (9)~~ **five (5)** members as may be designated by resolution by the majority of the entire Board of Directors. The term of office for existing Destinations Credit Union Directors remains unchanged at three (3) years.

2. The purpose of this amendment is to clarify the Supervisory Committee Meeting requirements.

Proposed Changes to By-Law for Approval at the March 16, 2023 Annual Meeting

ARTICLE VIII – Supervisory Committee

Section 3. The regular meeting of the Supervisory Committee shall be held quarterly at a minimum, but on the third Thursday of the month the Committee may meet and meets as frequently as it deems necessary to carry out its duties and responsibilities., ~~but the supervisory committee will meet at least quarterly.~~

3. The purpose of this amendment is to permanently allow for the use of virtual meetings when permissible per regulation as a means to host regular Board Meetings, the Annual Meeting, or Special Meetings.

Proposed Changes to By-Law for Approval at the March 16, 2023 Annual Meeting

ARTICLE X – Meetings of Members

Section 2. Notice of all meetings shall be given by the Secretary who shall at least seven (7) days before the date of such meeting: (a) Post a notice thereof containing the day, hour and place of the Meeting, in a conspicuous place in the office of the Credit Union and, (b) mail to or hand to each member a written notice thereof. This Credit Union may permit virtual attendance and

participation in the annual meeting provided that an in-person meeting complying with the geographic requirements of this paragraph is also held.

Section 4. *Emergency exception to in-person quorum requirement.* This credit union may hold its annual meeting of the members, the required in-person regular meeting of the Board of Directors under Article VII, and special member meetings for authorized purposes under Article X of these bylaws, virtually and without an in-person quorum if all of the following conditions apply and are certified in meeting minutes by a resolution of the majority of a quorum of the Board of Directors:

- a) At least one of the following is located in an area where a federal, state, or local authority has declared a state of emergency or major disaster:
 1. all or part of a community the credit union serves; or
 2. the credit union's headquarters.
 - b) The credit union has the technological capacity to facilitate virtual meeting attendance, voting, and participation.
 - c) Members receive at least seven days' advance notice of the change of a member meeting to a virtual meeting format and appropriate instructions for how to join, participate, and vote during the virtual meeting.
 - d) General or specific regulatory guidance has been issued notifying the credit union that it is appropriate to invoke this bylaw provision.
4. The purpose of the following amendment will allow for the Credit Union to expedite changes to the by-laws as permissible by regulation.

Proposed By-Laws for Approval at the March 16, 2023 Annual Meeting

ARTICLE XIV – Amendment of By-Laws

Section 1. These By-Laws may be amended **as allowed per MD Code, Financial Institutions §6-320, Amendments to Articles of Incorporation.** **If membership approval is required, proposed By-Law changes can be voted on** by the members at an annual or special meeting called for the purpose, by a ~~three-fourths~~ **two-thirds** vote of those present and entitled to vote, provided that a copy of the proposed amendments, together with a written notice of the meeting, shall have been ~~mailed~~ **delivered** to each member **either electronically or by U.S. mail** ~~or delivered to him at his employment location~~ at least seven days prior to said meeting. No amendments shall become operative until they have been approved by the Commissioner of Financial Regulation.