Pacific Postal
CREDIT UNION

1040 Leigh Avenue
San Jose, CA 95126-4129
800.696.6009 • www.ppcu.org

Proposal for Change in Bylaws

The purpose of this notice is to inform you of proposed changes by the Board of Directors to Pacific Postal Credit Union's (PPCU) Bylaws. The Board of Directors is proposing to change the number of members on the Board of Directors. Currently, the specified number of Board Members is nine (9). It is being proposed to change the number from nine (9) to a range between Five (5) and Eleven (11) board members. The reason for the proposed change is to provide flexibility to the options the board may operate within for recruiting and retaining volunteers for the Board of Directors.

The proposed amendment would change the applicable bylaws to the following:

SECTION 600 - NUMBER OF MEMBERS, QUALIFICATIONS, COMPENSATION
The board of directors shall consist of an odd number between five (5) - eleven (11) members, each of whom shall be a member of this credit union in his or her own right and shall be at least eighteen (18) years of age. No member of the board of directors shall serve as a member of the supervisory committee or loan officer nor receive compensation for his or her services as a director. Any director elected to the office of treasurer or assistant treasurer may be compensated as such.

SECTION 601 - TERM OF OFFICE
At the first annual meeting, elections to the board of directors shall be held in such a manner that the term of office for the directors shall stagger their expiration dates, per the number of directors at the time. The terms shall expire at the end of one year, two (2) years and three (3) years respectively. Thereafter, unless sooner suspended or removed as provided for in the California Credit Union Law or these bylaws, members of the board of directors shall serve from the time of their election for a period of three years and until their successors shall have been elected.

Whenever the number of members of the board of directors is increased or decreased by amendment to these bylaws, this section shall likewise be amended to provide that, insofar as possible, the term of office of an equal number of directors shall expire each year.

To be adopted, this amendment must be presented to PPCU members for voting, and approved with 51% of the vote. A quorum of 15 members must be present also. Proxy voting is not permitted. The results will be certified by the President and the Secretary in the minutes of the board meeting following the determination of the results.

As a PPCU member, please take time to review these proposed bylaws and indicate your approval or disapproval on the ballot provided on the reverse side of this notice. You may submit your ballot by using any of the following methods: 1) Mailing the ballot in the postage-paid business reply envelope enclosed with your December quarterly statement; 2) Dropping the ballot off at any PPCU branch; 3) Faxing the ballot to (408) 275-6870; or 4) Submitting the ballot at the PPCU Annual Meeting on March 12, 2020 by 7:15 pm.

Thank you for your time and attention. If you have any questions, please call us at (800) 696-6009.

Sincerely,

Fardad Khosravi
President & CEO

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Please cast your vote by completing the following ballot, and return using any of the options outlined in this notice. All ballots to be counted must be received at the PPCU Main Branch located at 1040 Leigh Avenue in San Jose by 7:15 pm on March 12, 2020.

BALLOT FOR AMENDMENT TO PPCU BY-LAWS

I have read the above notice and hereby cast my vote on the proposal to adopt the proposed amendment.

I approve _____ I disapprove of _____ the proposed amendment set forth above.

Your Name _____ Signature _____

Last 3 Digits of Your Member Number *****_____ Date _____