

**BYLAWS  
OF THE  
ARIZONA BANKERS  
ASSOCIATION**

Organized: November, 1903

Incorporated: October, 1974

Revised: June 3, 2025

**DECLARATION**

The purpose and objectives for which the Association is formed and the general nature of the activities in which the Association shall engage are as follows:

- (1) To promote and foster, through cooperative efforts, the interests of the banking industry;
- (2) To provide a forum for the discussion of matters of general interest to its members;
- (3) To promote cooperation between the Arizona banking industry and federal, state and other governmental agencies;
- (4) To promote and encourage understanding between this Association and other organizations advocating for the best interests of the banking industry;
- (5) To provide a means for the study of banking issues.

In furtherance of these purposes the bylaws that follow have been adopted.

**SECTION I  
DEFINITIONS**

Except where the context otherwise requires, as herein used:

- The word "Association" shall mean the Arizona Bankers Association, an Arizona non-profit corporation;
- The word "Articles" shall mean the Articles of Incorporation of the Association;
- The word "Board" shall mean the Board of Directors of the Association;
- The word "Director" shall mean a member of the Board;
- The word "Delegate" shall mean the individual designated for the purpose of casting the vote of an active member of the Association on any matter before the Association.
- The phrase "annual meeting" shall include any postponed or adjourned meeting if the annual meeting as required by law is postponed or adjourned.
- The phrase "association year" is the roughly annual period between annual meetings.

**SECTION II  
NAME AND PRINCIPAL OFFICE**

The Association shall be called the Arizona Bankers Association. The principal office of the Association for the transaction of business is hereby fixed and located in the City of Phoenix, County of Maricopa, State of Arizona. The Board of Directors may at any time, or from time to time, change the location of the principal office from one location to another in the State of Arizona.

**SECTION III  
MEMBERSHIP**

**A. ACTIVE MEMBERS**

Any depository institution insured by the Federal Deposit Insurance Corporation that is both making loans and taking deposits at an office in the state of Arizona or any company primarily engaged in credit card processing doing business within the state of Arizona or any trust company doing business within the state of Arizona may become an active member of the Association upon the payment of such annual dues as shall be provided by the Board of Directors and may send one voting Delegate to the annual meeting of the Association. See Appendix for Active Member Dues Formula.

## **BYLAWS (CONTINUED)**

Each active member of the Association is entitled to one vote on each matter submitted to a vote of the active members, to be cast by the active member's Delegate.

Any active member may be expelled from the Association upon a vote of two thirds of those present at any annual or special meeting.

### **B. DELEGATES**

Each active member is entitled to name one individual as its Delegate to the Association for voting purposes. The active member shall designate an officer, director or trustee of the member as its Delegate. An active member may change its named Delegate at any time.

### **C. VOTING RIGHTS OF DELEGATES**

- (1) Delegates shall vote in person, no voting by proxy shall be allowed.
- (2) All votes shall be viva voce unless otherwise ordered; any Delegate may demand a division of the house.
- (3) Each Delegate present may attend all meetings and shall be entitled to speak on any question.
- (4) Each Delegate shall be entitled to one vote for each institution he or she represents.

### **D. ASSOCIATE MEMBERS**

The following are eligible to be associate members of the Association:

- (1) Any entity that has applied for a charter to conduct banking business in Arizona and which has received preliminary approval for operation and which has submitted its application to the FDIC.
- (2) Any person or entity that provides a business service to any member of the financial services industry.

Associate members are not entitled to vote on matters before the Association. An associate member shall apply for membership following application procedures as set forth by the Board. The Board may change these procedures at any time. An associate member's application is subject to final approval by the Board of Directors, which may accept or reject an associate membership application at its discretion. Associate members may be expelled from the Association by a majority vote of the Board of Directors. Associate members shall pay such annual dues and shall receive such benefits as provided by the Board of Directors.

### **E. AFFILIATE FINANCIAL MEMBERS**

The following are eligible to be affiliate financial members of the Association: any institution with a division insured by the Federal Deposit Insurance Corporation that is engaged in financial services either within or outside of Arizona but that does not meet the requirements for active membership in the Association.

Affiliate financial members are not entitled to vote on matters before the Association. An affiliate financial member shall apply for membership following application procedures as set forth by the Board. The Board may change these procedures at any time. An affiliate financial member's application is subject to final approval by the Board of Directors, which may accept or reject an affiliate financial membership application at its discretion. Affiliate financial members may be expelled from the Association by a majority vote of the Board of Directors. Affiliate financial members shall pay such annual dues and shall receive such benefits as provided by the Board of Directors.

### **F. MEMBERSHIP DUES STRUCTURE**

The dues structure for active members, associate members, and affiliate financial members of the Association shall be reviewed, modified if necessary, and ratified by the Board in a process beginning at the first meeting of the Board following every annual meeting.

## **BYLAWS (CONTINUED)**

### **SECTION IV MEETINGS**

#### **A. ANNUAL MEETING**

An annual meeting of the active members shall be held at such time as shall be determined by the Board of Directors and shall be for the purpose of electing officers and directors and for the transaction of such other business as may come before the meeting.

#### **B. SPECIAL MEETINGS**

Special meetings of the active members may be called by the Chairman, the Board of Directors, or not less than one-fourth of the active members.

#### **C. PLACE OF MEETING**

The Board of Directors may designate any place, either within or without the State of Arizona, as the place of meeting for any annual meeting or for any special meeting called pursuant to article B. If no designation is made, or if a special meeting be otherwise called, the place of the meeting shall be the office of the Association in the State of Arizona; but, if all of the active members shall meet at any time and place, either within or without the State of Arizona, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting, any Association action may be taken.

#### **D. NOTICE OF MEETING**

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered electronically, personally, or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than thirty (30) days before the date of such meeting, by or at the direction of the Chairman, or the President/CEO, or the officers or persons calling the meeting.

#### **E. INFORMAL ACTION BY MEMBERS**

Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds of the members entitled to vote with respect to the subject matter thereof.

#### **F. QUORUM**

Two thirds of the active members constitute a quorum at such meeting. If a quorum is not present at any meeting of active members, a majority of active members present may adjourn the meeting from time to time without further notice.

### **SECTION V BOARD OF DIRECTORS**

#### **A. POWERS OF BOARD OF DIRECTORS**

The administration, control, and management of the affairs of the Association in the interim between annual meetings of the Association shall be vested in the Board of Directors. The Board shall exercise all the authority of the Association in the management of its business which may be exercised by the members thereof at the annual meetings. The Board shall attempt to carry out all the objectives and purposes of the Association.

#### **B. MEMBERSHIP OF BOARD OF DIRECTORS**

The Board of Directors shall be composed of no fewer than eleven and no more than twenty-four individual directors to include an Executive Officer Committee consisting of the Chairman, the Chairman-Elect, the Vice Chairman, the Secretary, the Treasurer, and directors who are past chairs; and a minimum of five Directors at Large, two of whom shall represent active members with Arizona-based deposits of less than \$500 million. The Executive Officers shall be elected by the Delegates at the annual meeting of the Association to serve for a term of one year or until their successors are elected. The Directors at Large shall be elected for staggered terms of three years or until their successors are elected.

## **BYLAWS (CONTINUED)**

Unless excused by a quorum of the Board, all Board members shall attend or otherwise participate in a minimum of 3/5ths of meetings called by the Chairman for an association year. Failure to do so may result in a request from the Chairman for the Board member in question to resign from the Board.

### **C. ALTERNATE BOARD MEMBERS**

Elected board members may nominate one alternate board member from the elected board member's institution to attend and participate in Board of Directors meetings in the absence of the elected board member. Alternate board members' voting rights extend to all Association business except matters pertaining to the annual budget and human resources. Alternate board members must be approved by a quorum of the elected board.

A quorum of the elected board shall adopt policies and procedures governing attendance, qualifications, nominations, and deadlines for nominations of alternate board members. Such policies and procedures shall be reviewed, and revised, if necessary, annually. Such policies shall be appended to these bylaws.

### **D. QUORUM OF BOARD OF DIRECTORS**

Fifty percent of the Board of Directors shall constitute a quorum. Alternate board members are counted for the purpose of achieving a quorum.

### **E. PROXY VOTING**

Elected board members may vote by proxy with written authorization from the elected board member not participating in the relevant meeting. This authorization must be conveyed via e-mail to the entire Board and appropriate staff. Proxies must be tendered on a meeting-by-meeting basis. Indefinite proxies are not permitted.

### **F. MEETINGS OF BOARD OF DIRECTORS; NOTICE**

The Board of Directors shall have a minimum of one meeting a year. Special meetings of the Board may be called by the Chairman or by any two or more Directors by giving two weeks' notice to the Board in the same manner a notice is given of meetings of the Association.

### **G. VACANCIES**

Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors, may be filled by the Board of Directors or may remain vacant until the next Annual Meeting of the Association, except that the Board must fill vacancies if necessary to maintain a minimum Board membership of eleven. A Director elected by the Board to fill a vacancy shall be elected and hold office until the next annual meeting of the Association.

### **H. COMPENSATION**

Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board.

### **I. INFORMAL ACTION BY DIRECTORS**

Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by three-fourths of the Directors or if oral consent to the action taken shall be given to the President/CEO by all of the Directors.

### **J. PRESIDENT/CHIEF EXECUTIVE OFFICER; OFFICE**

The Board may employ a President/Chief Executive Officer and such other assistants and employees as it may deem necessary to facilitate and carry out the work of the Association and shall specify their salaries and terms of employment.

## **BYLAWS (CONTINUED)**

### **K. DUTIES OF BOARD OF DIRECTORS**

The Board of Directors shall:

- (1) Provide for the keeping of records of the proceedings of their own meetings as well as of the Association's annual or special meetings.
- (2) Submit to each annual meeting a report covering its own official acts, as well as a statement of any new or unfinished business requiring attention.
- (3) Make full statements of the financial condition of the Association.
- (4) Submit an estimate of the amount required to carry on the affairs of the Association according to their judgment of the business to be done, and recommend means of raising money to carry out such plans as may be resolved upon by a majority of the Board of Directors.
- (5) The Board alone shall have authority to approve the disbursement of funds from the Association's reserve accounts.

The foregoing duties of the Board of Directors are enumerative and are to be considered as restrictive.

## **SECTION VI OFFICERS' DUTIES**

### **A. CHAIRMAN**

The Chairman shall preside at all annual or special meetings of the Association and at all meetings of the Board of Directors. He or she shall have the power to appoint all standing committees provided for in these bylaws and all other committees created by the Board of Directors of the Association. He or she shall be the Chairman of the Board of Directors and ex-officio member of all standing and other committees authorized by the Articles of Incorporation and bylaws. The Chairman shall be the spokesperson for the Association in connection with any policies formulated by the Association.

### **B. CHAIRMAN-ELECT**

It shall be the duty of the Chairman-Elect to discharge all duties of the Chairman in the absence of the Chairman.

### **C. VICE CHAIRMAN**

The Vice Chairman shall, in the absence of both the Chairman-Elect and the Chairman, act in their capacities.

### **D. SECRETARY**

The Secretary shall oversee Association staff in ensuring the organized maintenance of all Association records and shall keep an up-to-date list of all members in all membership categories. In conjunction with the Chairman and Association staff he or she shall prepare the agendas for all annual meetings and meetings of the Board of Directors. He or she shall record the minutes and/or oversee Association staff recording the minutes at all annual meetings, Board of Directors meetings, and all committee meetings where Association business is conducted.

### **E. TREASURER**

The Treasurer shall account for all monies belonging to the Association.

### **F. PRESIDENT/CEO**

In Conjunction with the Secretary, the President/CEO shall record the Minutes of the Board of Directors' meetings and shall make and have charge of the records of the Association as well as those of the Board of Directors. Such records shall be the property of the Association and shall be held subject at all times to the order of the Board. Copies of the Minutes of the Board of Directors' meetings shall be made available to active members upon request.

The President/CEO shall be bonded by a corporate surety in an amount to be determined by the Board of Directors, the premium being chargeable to the Association.

## **BYLAWS (CONTINUED)**

### **G. VACANCIES**

In the event of death, resignation or inability of the Chairman, the Chairman-Elect shall succeed to and perform the duties of the Chairman until the end of his or her term of office. In the event of death, resignation or inability of both the Chairman and the Chairman-Elect, the Vice Chairman shall succeed to and perform the duties of the Chairman until the end of the term of office. Except as herein provided in the event of death, resignation or inability of any officer, the Board of Directors shall appoint a Director to succeed to and perform the duties of the vacancy until the next annual meeting of the Association.

## **SECTION VII DUES AND EXPENSES**

### **A. ANNUAL DUES**

The annual dues shall be due and payable at the beginning of each calendar year.

### **B. AMOUNT OF ANNUAL DUES**

The annual dues shall be as provided by the Board of Directors.

### **C. EXPENSES; SPECIAL ASSESSMENTS**

The expenses of the Board of Directors in carrying out the business of the Association to be done by it shall be provided for by the annual dues of the active members, the affiliate financial members, and the associate members of the Association and by special assessment as provided for by the Board of Directors.

## **SECTION VIII ITEMS OF BUSINESS FOR ANNUAL MEETING**

### **A. SUBMISSION OF ITEMS OF BUSINESS**

Resolutions and subjects for discussion (except those referred to points of order or matters of courtesy) must be submitted in writing to the President/CEO, for reference to the Board of Directors, at least ten days before any annual or special meeting of the Association; but any person desiring to submit any resolution or business in open convention can do so upon a two-thirds vote of the Delegates present.

### **B. ENDORSEMENTS**

No opinion expressed, principle advocated, or policy suggested by any party or person, however presented, shall be deemed to have the endorsement of the Association unless the question of so endorsing shall have been specifically approved by a majority of Directors.

## **SECTION IX SUSPENSION AND REINSTATEMENT OF ACTIVE MEMBER**

Any active member failing to pay within three months the annual dues and any special assessment for carrying on the business of the Association, and after written demand made by the President/CEO, shall be considered to have withdrawn from membership, but may be reinstated upon application to the President/CEO, and paying all dues and assessments in arrears, with consent of the Chairman.

## **SECTION X STANDING AND SPECIAL COMMITTEES**

### **A. STANDING COMMITTEES**

The Standing Committees of the Association are:

- (1) Executive Officer Committee
- (2) Government Relations Committee
- (3) Political Action Committee (PAC) Board
- (4) Investment Committee
- (5) Fraud & Security Committee

## **BYLAWS (continued)**

### **B. ADDITIONAL STANDING COMMITTEES**

Any of the standing committees may be eliminated and additional standing or special committees may be designated by the Board of Directors from time to time without amendment of these bylaws.

### **C. APPOINTMENT TO COMMITTEES**

Except as otherwise provided, the members of all committees shall be appointed by the Chairman as soon as convenient following his or her election to serve until their successors are appointed and the Chairman shall designate the Chairmen of the respective committees in making the committee appointments.

### **D. GOVERNMENT RELATIONS COMMITTEE**

The term of the Government Relations Committee shall coincide with the legislative biennium.

### **E. NOMINATING COMMITTEE**

Nominees for the Board of Directors shall be selected by a committee composed of the Association's Executive Officers.

### **F. AUDIT COMMITTEE**

The Board of Directors shall serve as the Audit Committee

### **G. MEETINGS OF COMMITTEES**

Meetings of any committee may be called by the chairman of the committee or by the Chairman of the Board. The members of any committee present at the meeting shall constitute a quorum to conduct the business of the committee.

## **SECTION XI**

### **RULES GOVERNING MEETINGS**

All meetings of the Association and of the Board of Directors shall be governed by the latest revised edition of Roberts Rules of Order.

## **SECTION XII**

### **BOOKS AND RECORDS**

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors and shall also keep at the principal office of the Association a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any active member or his agent or attorney for any proper purpose at any reasonable time.

## **SECTION XIII**

### **FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

## **SECTION XIV**

### **WAIVER OF NOTICE**

When any notice is required to be given under the provisions of the Arizona Non-profit Corporation laws, or under the provisions of the Articles of Incorporation or the bylaws of the Association, a waiver thereof, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to giving of such notice.

**BYLAWS (CONTINUED)**

**SECTION XV  
AMENDMENTS TO BYLAWS**

These bylaws may be altered, amended or repealed, and new bylaws may be adopted at any annual or special meeting of the Association by a majority vote of all active members present and voting, or by a majority vote of the Board of Directors.

**SECTION XVI  
APPLICATION OF ARIZONA LAW**

The Association shall be governed exclusively by the laws of the State of Arizona.



## **Appendix I. AzBA Dues Structure**

### **I. Active Members**

#### **A. FDIC Insured Depositories Housing Deposits in Arizona**

The AzBA has a tiered dues structure benchmarked to the annual June FDIC Deposit Market Share Report. The data in the report is based on the annual Summary of Deposits (SOD) survey for FDIC-insured institutions as of June 30 every year. The report is released in the fall and the AzBA accesses it through the FDIC public website.

The AzBA formula is set forth here:

- Deposits over 20 billion x .9% to a cap of \$67,500 (floor \$20,000)
- Deposits 2 to 20 billion x .9% to a cap of \$50,000 (floor \$20,000)
- Deposits 1 to 2 billion x 1.6% to a cap of \$20,000 (floor \$18,000)
- Deposits 250 million to 1 billion x 2% to a cap of \$18,000 (floor of \$5,000)
- Deposits 150 to 250 million x 2.6% to a cap of \$5,500 (floor \$3,400)
- Deposits less than 150 million x 3% to a cap of \$3,400 (floor \$1,500)

The tiered structure is designed to make the annual membership fees affordable and proportional to the size of the member bank. It is a typical methodology for state bankers associations to equitably assess membership dues.

Upon publication of the FDIC Deposit Market Share Report in the fall the AzBA sends member banks notice of their subsequent years' dues. Official invoices are sent the first of the year. The advance notice allows banks to budget for the dues invoice for the next year and/or pay from surplus budget funds of the current year. Banks are permitted to make payment as soon as they receive the advance notice in the fall or wait for the official invoice at the first of the year. Dues are due upon receipt of the official invoice.

#### **B. Credit Card Companies, Trust Companies**

\$5,000/Year

### **II. Affiliate Financial Members**

\$5,000/year

### **III. Associate Members**

\$1,500/year

*See Section III, F. Membership Dues Structure*

**Appendix II.  
Policies and Procedures  
Arizona Bankers Association**

**Alternate Board Member Program**

The following policies and procedures are intended to define the Arizona Bankers Association's (AzBA) Board of Directors' (the Board) expectations for how alternate board members engage with the Board specifically and the broader Association more generally.

The goal of the initiative is multifaceted. First, it is designed to facilitate quorums at board meetings while at the same time not discouraging elected board member attendance and engagement. Next it is designed to facilitate a pipeline for elected, engaged, and committed board members. Finally, the program is designed to increase banker engagement with the Association's central mission, Board of Directors, committee structure, events, programs, and products & services through attendance and participation in AzBA Board of Directors meetings.

**I. Nominations**

- A. Elected Board members nominate one individual from his or her member institution for all of the scheduled meetings of the Association year. Meaning it has to be the same person. It cannot be a different banker for each meeting.
- B. Elected Board members supply the Board with a short bio of the individual they seek to nominate.

Elected members of the Board are encouraged to nominate someone from their institution who they could recommend as their replacement on the Board when they roll off the Board.

**II. Approval**

- A. Elected Board Members evaluate and confer over the nominations.
- B. Elected Board members hold a vote to approve nominees up to two times per calendar year.

Elected Board Members are encouraged to approve those candidates who they anticipate are or will be a senior member of the in-state management team of the member institution. We want people with broad budget authority and the ability to engage their institution's junior, mid-level, and senior bankers in the programs and initiatives of the Association.

**III. Restrictions and Limitations**

Alternates may not take part in Board meetings/discussions on human resources issues or the Association's annual budget. *AzBA Bylaws § V (C)*.

-END-