

**SAMPLE BYLAWS  
OF  
(Name of State Bank)**

**A State Banking Corporation**

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**Article I - Shareholders' Meetings**

**Section 1. Annual Meeting.** The annual meeting of shareholders for the election of directors and the transaction of such other business as may properly come before the meeting shall be held at \_\_p.m. on \_\_\_\_\_ in \_\_\_\_\_ of each year or at such other time as shall be determined by the board of directors. If the day fixed for the annual meeting is a legal holiday, such meeting shall be held on the next succeeding business day. The meeting shall be held at the principal offices of the corporation or at such other place as shall be determined by a majority of the directors.

**Section 2. Special Meeting.** Special meetings of shareholders may be called by the board of directors, or by the president, and shall be held at such places, within or without the State of Oklahoma, as may be specified in the call of any meeting. Further, the president, or in his absence, the secretary, shall call a special meeting at the request in writing of shareholders owning not less than one-fourth (1/4) in amount of the entire capital stock of the corporation issued and outstanding and entitled to vote, provided that such request states the purpose or purposes for the proposed meeting.

**Section 3. Notice of Meetings.** Unless otherwise provided in the Oklahoma General Corporation Act, written notice of every meeting of shareholders stating the place, date, hour and, in the case of a special meeting, purposes thereof, shall, except when otherwise required by law, be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each shareholder entitled to vote thereat; provided that such notice may be waived in writing, signed by the person entitled to notice either before or after the time stated therein. Neither the business to be transacted at nor the purpose of any meeting need be specified in such written waiver of notice.

At any meeting at which a quorum of shareholders is present, in person or represented by proxy, the chairman of the meeting or the holders of the majority of the shares of stock present or represented by proxy may adjourn from time to time until the meeting's business is completed. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting. Otherwise, no notice need be given.

If mailed, notice shall be deemed to be given when deposited in the United States mail, addressed to the shareholder at his address as it appears on the records of the corporation, with postage thereon prepaid.

**Section 4. Quorum; Voting.** Unless statute or the Certificate of Incorporation provides otherwise, at a meeting of shareholders the presence in person or by proxy of shareholders entitled to cast a majority of all the votes entitled to be cast at the meeting constitutes a quorum and, subject to Section 5, below, a majority of all the votes cast at a meeting at which a quorum is present is sufficient to approve any matter which properly comes before the meeting. In the absence of a quorum, the shareholders present in person or by proxy, by majority vote and without notice other than by announcement, may adjourn the meeting from time to time until a quorum shall attend. In the event that at any meeting a quorum exists for the transaction of some business but does not exist for the transaction of other business, the business as to which a quorum is present may be transacted by the holders of stock present in person or by proxy who are entitled to vote thereon.

**Section 5. General Right to Vote; Proxies.** Unless the Certificate of Incorporation provides for a greater or lesser number of votes per share or limits or denies voting rights, each outstanding share of stock, regardless of class, is entitled to one (1) vote on each matter submitted to a vote at a meeting of shareholders. In all elections for directors, each share of stock may be voted for as many individuals as there are directors to be elected and for whose election the share is entitled to be voted. A shareholder may vote the stock he owns of record either in person or by written proxy signed by the shareholder or by his duly authorized attorney in fact. Unless the proxy provides for a longer period, no proxy shall be voted or acted upon after three years from its date.

**Section 6. List of Shareholders.** Unless otherwise provided in the Oklahoma General Corporation Act, at least ten (10) days before every meeting of shareholders, a complete list of the shareholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each shareholder, and the number of shares registered in the name of each shareholder, shall be prepared by the officer in charge of the stock ledger. Such list shall be open to the examination of any shareholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any shareholder who is present. The stock ledger shall be the only evidence as to who are shareholders entitled to examine the stock ledger, the list required by this section or the books of the corporation, or to vote in person or by proxy at any meeting of shareholders.

**Section 7. Action by Written Consent of Shareholders.** Any action required or permitted to be taken at a meeting of the shareholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes which would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. The board

of directors may fix, in advance, the record date for determining shareholders entitled to express consent to corporate action in writing without a meeting, which shall not be more than sixty (60) days prior to the taking of such action. Prompt notice of the taking of corporate action without a meeting by less than unanimous written consent shall be given to those shareholders who have not consented in writing.

**Section 8. Conduct of Voting.** At all meetings of shareholders, unless the voting is conducted by inspectors, the proxies and ballots shall be received, and all questions touching the qualification of voters and the validity of proxies and the acceptance or rejection of votes shall be decided by the chairman of the meeting. If demanded by shareholders, present in person or by proxy, entitled to cast ten percent (10%) in number of votes entitled to be cast, or if ordered by the chairman, the vote upon any election or question shall be taken by ballot, and, upon like demand or order, the voting shall be conducted by two inspectors, in which event the proxies and ballots shall be received, and all questions touching the qualification of voters and the validity of proxies and the acceptance or rejection of votes, shall be decided by such inspectors. All election of directors shall be by written ballot, unless otherwise provided for in the corporation's certificate of incorporation, but voting need not be inspected by inspectors. The shareholders at any meeting may choose an inspector or inspectors to act at such meeting, and in default of such election the chairman of the meeting may appoint an inspector or inspectors. No candidate for election as a director at a meeting shall serve as an inspector thereat.

## **Article II - Directors**

**Section 1. Election and Powers of Board of Directors.** The business and property of the corporation shall be conducted and managed by its board of directors which shall consist of not less than five (5) members. The exact number of directors shall be fixed from time to time by the board of directors pursuant to a resolution adopted by a majority of the entire board of directors. Each director elected shall hold office for one (1) year until his or her successor shall be elected and shall qualify. The directors shall not be required to own shares of common stock in this corporation in order to qualify for or hold such office. Any director not qualifying shall be removed by the board of directors. No action taken by a director prior to resignation or removal hereunder shall be subject to attack on the ground of his/her disqualification. Notwithstanding anything contained in these Bylaws to the contrary, the affirmative vote of the shareholders of three-fourths (3/4) of the shares of this corporation entitled to vote for the election of directors shall be required to amend or repeal, or to adopt any provision inconsistent with, this Section 1 of Article II.

**Section 2. Removal of Directors.** At any meeting of the shareholders held for the purpose, any director may be removed from office, but only for cause. Notwithstanding anything contained in the Bylaws to the contrary, the affirmative vote of the holders of three-fourths (3/4) of the shares of this corporation entitles to vote for the election of directors shall be required to amend or repeal, or to adopt any provision inconsistent with,

this Section 2 of Article II.

**Section 3. Vacancies of Board of Directors.** Newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the board of directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled by a majority vote of the remaining directors, though less than a quorum, and the directors so chosen shall hold office for a term expiring at the next annual meeting of shareholders at which a successor shall be elected and shall qualify.

Notwithstanding anything contained in these Bylaws to the contrary, the affirmative vote of the holders of at least three-fourths (3/4) of the shares of the corporation entitled to vote for the election of directors shall be required to amend or repeal, or to adopt any provision inconsistent with, the provisions of this Section 3 of Article II.

**Section 4. Amendment of Bylaws.** If provided by the corporation's certificate of incorporation, the board of directors shall have the power to make, amend and repeal the Bylaws of the corporation, by vote of a majority of all of the directors, at any regular or special meeting of the board; provided, however, that any Bylaws made by the board of directors may be amended, altered, or repealed by the shareholders as hereinafter provided.

Except as provided in Section 1, 2, and 3 of this Article II of the Bylaws, the shareholders by the affirmative vote of the majority of the stock issued, outstanding and entitled to vote, may make, alter or amend the Bylaws without notice at any annual meeting, or any special meeting if notice thereof be contained in the notice of such meeting.

**Section 5. Place of Meeting.** Board meetings may be held at such places, within or without the State of Oklahoma, as stated in these Bylaws or as the board may from time to time determine or as may be specified in the call of any meetings.

**Section 6. Regular Meetings.** The annual meeting of the board shall be held without call or notice immediately after and at the same general place as the annual meeting of the shareholders, for the purpose of electing officers and transacting any other business that may properly come before the meeting. Additional regular meetings of the board may be held without call or notice at such place and at such time as shall be fixed by resolution of the board but in the absence of such resolution shall be held upon call by the president or a majority of directors.

**Section 7. Special Meetings.** Special meetings of the board may be called by the chairman of the board or the president or by a majority of the directors then in office. Notice of special meetings shall be given to each director at least ten (10) days before the meeting. Such notice shall set forth the time and place of such meeting, but need not, unless otherwise required by law, state the purposes of the meeting. A majority of the directors present at any meeting may adjourn the meeting from time to time without notice

other than announcement at the meeting.

**Section 8. Quorum.** A majority of the total number of directors, excluding any vacancies, shall constitute a quorum for the transaction of business at any meeting of the board; provided, however, that in no event shall a number which is less than one-third (1/3) of the total number of directors constitute a quorum. If at any meeting a quorum is not present, a majority of the directors present may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum is present. The act of a majority of directors present in person at a meeting at which a quorum is present shall be the act of the board of directors.

**Section 9. Presence at Meeting.** Members of the board of directors, or of any committee thereof, may participate in a meeting of such board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall be deemed presence in person at such meeting.

**Section 10. Action Without Meeting.** Any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board or such committee, as the case may be, consent thereto in writing, and such written consent is filed with the minutes of the proceedings of the board or such committee.

**Section 11. Committees of the Board.** The board of directors may, by resolution passed by a majority of the whole board, designate one or more committees, each such committee to consist of one or more of the directors of the corporation and shall have such name or names as may be determined from time to time by resolution adopted by the board. The board may designate one or more directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent provided in the resolution, shall have and may exercise the powers of the board of directors in the management of the business and affairs of the corporation, and generally perform such duties and exercise such powers as may be directed or delegated by the board of directors from time to time, and, furthermore, may authorize the seal of the corporation to be affixed to all papers which may require it. In the absence or disqualification of any member of such committee or committees, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the board to act at the meeting in the place of such absent or disqualified member. Each such committee shall keep regular minutes of its proceedings and report the same to the board of directors as and when required.

**Section 12. Discount Committee.** There shall be a Discount Committee consisting of not less than three (3) members of the board, appointed by the board annually or more often. The Discount Committee shall have power to discount and purchase bills, notes

and other evidences, to buy and sell bills of exchange, to examine and approve loans and discounts and to exercise authority regarding loans and discounts. The Discount Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the board of directors at which a quorum is present, and any action taken by the board with respect thereto shall be entered in the minutes of the board.

**Section 13. Examining Committee.** There shall be an Examining Committee composed of not less than three (3) directors appointed by the board annually or more often whose duty it shall be to make an examination every twelve (12) months into the affairs of the corporation, and to report the result of such examination in writing to the board at the next regular meeting thereafter. Such report shall state whether the corporation is in a sound condition, whether adequate internal audit controls and procedures are being maintained and shall recommend to the board such changes in the manner of doing business or conducting the affairs of the corporation as shall be deemed advisable.

The Examining Committee, upon its own recommendation and with the approval of the board of directors, may employ a qualified firm of independent certified public accountants to make an examination and audit of the corporation. If such a procedure is followed, the one annual examination and audit of such firm of accountants and the presentation of its report to the board of directors, will be deemed sufficient to comply with the requirements of this Section of these Bylaws.

**Section 14. Advisory Directors.** The board of directors may appoint individuals to serve as advisory directors of the corporation and may fix fees or compensation for attendance at meetings. The term of office of any advisory director shall be at the pleasure of the board of directors and shall expire the day of the annual meeting of the shareholders of the corporation. The function of any such advisory director shall be to advise with respect to the affairs of the corporation.

### **Article III - Officers and Employees**

**Section 1. Election.** At the annual meeting of the board, there shall be elected such officers as required under applicable statutes regulating banks and banking and such officers as may be necessary to enable the corporation to sign instruments and stock certificates which comply with the Oklahoma General Corporation Act. Such officers may include a chairman of the board, chief executive officer, a president, one or more vice presidents (who may be designated by different classes), a secretary, a cashier and other officers. No officer need be a director. Two or more offices may be held by the same person.

**Section 2. Term, Removal and Vacancies.** All officers shall serve at the pleasure of the board. Any officer elected or appointed by the board may be removed at any time by the board whenever in its judgement the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the



person so removed. A vacancy in any office shall be filled by the board of directors.

**Section 3. Chairman of the Board.** The chairman of the board, if one has been elected, shall preside at all meetings of the board, shareholders and committees of which he is a member. He shall have such powers and perform such duties as may be authorized by the board of directors.

**Section 4. Chief Executive Officer.** If the board of directors has elected a chairman of the board, it may designate the chairman of the board as the chief executive officer of the corporation. If no chairman of the board has been elected, or in his absence or inability to act, or if no such designation has been made by the board of directors, the president shall be the chief executive officer of the corporation. The chief executive officer shall (i) have the overall supervision of the business of the corporation and shall direct the affairs and policies of the corporation, subject to any directions which may be given by the board of directors, (ii) shall have the authority to designate the duties and powers of officers and delegate special powers and duties to specified officers, so long as such designations shall not be inconsistent with the laws of the State of Oklahoma, these bylaws or action of the board of directors, and shall in general have all other powers and shall perform all other duties incident to the chief executive officer of a corporation and such other powers and duties as may be prescribed by the board of directors from time to time.

**Section 5. President.** If the board of directors has elected a chairman of the board and designated such officer as the chief executive officer of the corporation, the president shall serve as chief operating officer and be subject to the control of the board of directors and the chairman of the board. He shall have such powers and perform such duties as from time to time may be assigned to him by the board of directors or the chairman of the board. If the board of directors has not elected a chairman of the board, or if one has been elected and has not been designated the chief executive officer of the corporation, then the president shall be the chief executive officer of the corporation, with the powers and duties provided in Article III, Section 4, of these bylaws. In any event, the president shall have the power to execute, and shall execute, bonds, deeds, mortgages, extensions, agreements, modification of mortgage agreements, leases and contracts or other instruments of the corporation except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors or by the president to some other officer or agent of the corporation. The president may sign with the secretary or an assistant secretary, certificates for shares of stock of the corporation, the issuance of which shall have been duly authorized by the board of directors, and shall vote, or give a proxy to any other person to vote, all shares of the stock of any other corporation standing in the name of the corporation. The president, in general, shall have all other powers and shall perform all other duties as may be prescribed by the board of directors from time to time.

**Section 6. Vice Presidents.** A vice president shall perform such duties as may from time to time be assigned to him by the board or by the chairman or the president. In the

absence or inability to act of the president, the vice president (or if there is more than one vice president, in the order designated by the board and, absent such designation, in the order of their first election to that office) shall perform the duties and discharge the responsibilities of the president.

**Section 7. Secretary.** The secretary shall be the keeper of the corporate records, and shall give notice of, attend, and record minutes of meetings of shareholders and directors. The secretary shall, in general, perform all duties incident to the office of secretary and such other duties as may be assigned by the board or by the president. The assistant secretaries, if any are so designated by the board or by the president, shall have such duties as shall be delegated to them by the secretary and, in the absence of the secretary, the senior of them present shall discharge the duties of the secretary.

**Section 8. Cashier.** The board of directors shall elect a Cashier who shall be responsible for all monies, funds, and valuables of this corporation that may come under his/her control, and shall faithfully and properly apply such property for the benefit of the corporation and provide an accounting upon demand to the board of directors of this corporation or to the person or persons authorized to receive an accounting, and the board shall from time to time require from the Cashier a bond in such sum as in their judgement will secure a faithful discharge of his/her duties imposed. He/she shall be custodian of the corporate seal, records, documents, and papers of the corporation.

**Section 9. Other Officers.** The board may from time to time appoint one or more other officers of the corporation as may appear to the board of directors to be required or desirable to transact the business of the corporation. Subject to the direction of the president of the corporation, the other officers shall have such duties and authority as may be prescribed by the board of directors.

#### **Article IV - Stock Certificates and Transfer Books**

**Section 1. Certificates.** Every shareholder shall be entitled to have a certificate in such form as the board shall from time to time approve. The certificate shall be in the name of the corporation and signed by (i) the chairman of the board, if any, the president or any vice president and (ii) the cashier, or the secretary or an assistant secretary, certifying the number of shares owned by the shareholder in the corporation. During the time in which the corporation is authorized to issue more than one class of stock or more than one series of any class, there shall be set forth on the face or back of each certificate issued a statement that the corporation will furnish without charge to each shareholder who so requests, the designations, preferences and relative, participating, option or other special rights of each class of stock or series thereof of the corporation and the qualifications, limitations or restrictions of such preferences and/or rights.

The signatures of any of the officers on a certificate may be facsimiles. In case any officer who has signed or whose facsimile signature has been placed upon a certificate shall

have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if such former officer were such officer at the date of issue.

**Section 2. Record Ownership.** A record of the name and address of the holder of each certificate, the number of shares represented thereby, and the date of issue thereof shall be made on the corporation's books. The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof, and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in any share on the part of any other person, whether or not it shall have express or other notice thereof, except as required by the laws of Oklahoma.

**Section 3. Transfer Agent and Registrar.** The corporation may maintain one or more transfer offices or agencies, each in charge of a transfer agent designated by the board, where the shares of stock of the corporation shall be transferable. The corporation may also maintain one or more registry offices, each in charge of a registrar designated by the board, wherein such shares of stock shall be registered. To the extent authorized by the board, the same entity may serve both as a transfer agent and registrar.

**Section 4. Lost Certificates.** Any person claiming a stock certificate in lieu of one lost, stolen, mutilated or destroyed shall give the corporation an affidavit as to his ownership of the certificate and of the facts which go to prove its loss, theft, mutilation or destruction. He shall also, if required by the board, give the corporation a bond, in such form as may be approved by the board, sufficient to indemnify the corporation against any claim that may be made against it on account of the alleged loss or theft of the certificate or the issuance of a new certificate.

**Section 5. Transfer of Stock.** Transfer of shares shall, except as provided in Section 4 of this Article IV, be made on the books of the corporation only by direction of the person named in the certificate or his attorney, lawfully constituted in writing, and only upon surrender for cancellation of the certificate therefor, duly endorsed or accompanied by a written assignment of the shares evidenced thereby.

**Section 6. Fixing Date for Determination of Shareholders of Record.**

(a) In order that the corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to express consent to any corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the board may fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such meetings, nor more than sixty (60) days prior to any other action.

(b) A determination of shareholders of record entitled to notice of and to vote at a meeting

of shareholders shall apply to any adjournment of the meeting; provided, however, that the board may fix a new record date for the adjourned meeting.

## **Article V - General Provisions**

**Section 1. Offices.** The principal office of the corporation shall be maintained in \_\_\_\_\_, Oklahoma, or at such other place as the board may determine. The corporation may have such other offices as the board may from time to time determine.

**Section 2. Voting of Stock.** Unless otherwise ordered by the board, the chairman of the board, if any, the president or any vice president shall have full power and authority, in the name and on behalf of the corporation, to attend, act and vote at any meeting of shareholders of any company in which the corporation may hold shares of stock, and at such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such shares and which, as the holder thereof, the corporation might possess and exercise if personally present, and may exercise such power and authority through the execution of proxies or may delegate such power and authority to any other officer, agent or employee of the corporation.

**Section 3. Notices.** Unless otherwise provided herein, whenever notice is required to be given, it shall not be construed to require personal notice, but such notice may be given in writing by depositing the same in the United States mail, addressed to the individual to whom notice is being given at such address as appears on the records of the corporation, with postage thereon prepaid. Such notice shall be deemed to be given at the time when the same shall be thus deposited.

**Section 4. Waiver of Notice.** Whenever any notice is required to be given, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

## **Article VI - Indemnification of Officers, Directors, Employees and Agents**

(a) The corporation shall indemnify every officer, director, and employee, his heirs, executors and administrators, against judgments resulting from and the expenses reasonably incurred by him in connection with any action to which he may be made a party by reason of his being an officer, director or employee of the bank or trust company, including any action based upon any alleged act or omission on his part as an officer, director or employee of the bank or trust company, except in relation to matters as to which he shall be finally adjudged in such action to be liable for the negligence or his misconduct, and except that, in the event of a settlement out of court, indemnification shall be provided only in connection with such matters covered by the settlement as to which the bank or trust company is advised by its counsel that the person to be indemnified was not liable for such negligence or misconduct. The foregoing rights of indemnification shall

not be exclusive of other rights to which such officers, directors and employees may be entitled.

(b) The company may, upon the affirmative vote of a majority of its board of directors, purchase insurance for the purpose of indemnifying its directors, officers and other employees to the extent that such indemnification is allowed in the preceding paragraph. Such insurance may, but need not, be for the benefit of all directors, officers or employees.

(c) In addition, the personal liability of a director to the bank or stockholders is eliminated for monetary damages for breach of fiduciary duty as a director, but not for:

- (1) any breach of the director's duty of loyalty to the bank or its holding company, or to the stockholders of either; or
- (2) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or
- (3) payment of any unlawful dividend or for any unlawful stock purchase or redemption; or
- (4) any transaction from which the director derived an improper personal benefit.

#### **Article VII - Amendments**

These bylaws may be altered, amended or repealed or new bylaws may be adopted in accordance with the corporation's Certificate of Incorporation and the Oklahoma General Corporation Act.