

GC/MFR:bhs
SSIC 3700
01-1218

TO:

FROM: Sheila A. Albin, Associate General Counsel

SUBJ: [] Federal Credit Union
Nonstandard Bylaw Amendment

DATE: January 4, 2002

You have asked this office to review and comment on a nonstandard bylaw amendment submitted for approval by [] Federal Credit Union (FCU). We agree with your recommendation that the requested amendment be approved.

The proposed amendment changes the number of missed board meeting that trigger removal of a director from “3 consecutive months, or 4 meetings within a calendar year” to “4 regular meetings of the board within the prior 12-month period.” FCU Bylaws, Article VI, Section 8. In addition, the proposed amendment permits absences necessitated by credit union business. Although we have no legal concerns with the proposed amendment, we do not agree with your conclusion that it will encourage board members to attend meetings. The proposal provides board members more flexibility to miss meetings than the current FCU Bylaws.