

OGC:AMT:bhs
07-0920R

TO: []

FROM: Sheila A. Albin, Associate General Counsel /S/

SUBJECT: [] Federal Credit Union
Nonstandard Bylaw Amendment

DATE: September 25 2007

Under NCUA Delegations of Authority, Supervision 12, you have asked for our concurrence with your decision to deny []'s proposed amendment to Article V, Option A2 of its Bylaws. [] proposes raising the percentage of members required to sign a nomination petition from 1% to 2% of members. You indicate you are inclined to deny the request because NCUA should not make it more difficult to run for a director's position. OGC concurs with a denial of the request.

NCUA adopted the 1% threshold as an alternative to nominations being made from the floor in 1991 "to permit greater participation by the members in making nominations, to facilitate the use of printed ballots, and to expedite elections." FCU Standard Bylaw Amendments and Guidelines, pg. 30 (Oct. 1991); OGC Op. 00-0425 (July 25, 2000). By contrast, decreasing the number of signatures required to petition for a nomination has previously been deemed permissible because it eases the nominating process, allowing more candidates to run for the credit union's board. OGC Op. 00-0717 (July 14, 2000).

Please contact Staff Attorney Annette Tapia or me if you have any questions.