

May 26, 1998

Richard J. Woloss, Treasurer/Manager
Northampton VAF Federal Credit Union
VA Medical Center
Northampton, MA 01060

Re: Request for Approval of New Bylaw
Your letter dated April 20, 1998

Dear Mr. Woloss:

You have asked this office for our opinion of a proposed bylaw definition of "immediate family members" that would include the "Primary Member's Spouse/Domestic Partner's Parents, Grandparents, Children, Grandchildren, Sisters and Brothers. The definition you propose is not permissible.

If an FCU's charter includes "members of their immediate families," the Federal Credit Union Bylaws allow an FCU to define the term. Article XVIII, Section 2(a). The attached letter from Richard S. Schulman to David Beckhorn, dated June 12, 1996, explains that "as long as there is an ongoing 'familial' relationship between the primary member and those individuals who qualify for membership as immediate family members, the definition is acceptable." (Emphasis added).

NCUA's Chartering Manual defines *primary members* as "[m]embers sharing the basic occupational, associational or community affinity to the field of membership" and *secondary or derivative members* are defined as, "[m]embers included in the field of membership by virtue of their close relationship to the common bond group (e.g., immediate family members, employees of the credit union, etc.)." IRPS 94-1, Appendix A, as amended by IRPS 96-1 and IRPS 98-1. The definition you propose includes the immediate family members of the secondary member, in this case, the primary member's spouse/domestic partner.

Our long-standing position is that only the immediate family members of primary members are eligible to join under the "immediate family member" provision of an FCU's charter. Permitting immediate family members of secondary members to join would vitiate the common bond requirement.

Sincerely,

Sheila A. Albin
Associate General Counsel

GC/MFR:bhs
SSIC 3700
98-0438

Enclosure

cc: Region I