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# Board Action Bulletin

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*Prepared by the Office of External Affairs*

## NCUA BOARD MEETING RESULTS FOR SEPTEMBER 23, 2004

### ***Comments requested on FCU Bylaws***

The NCUA Board issued a request for comment on the Federal Credit Union Bylaws, with a 60-day comment period, in an effort to update, clarify, simplify and incorporate necessary changes into the Bylaws.

The notice highlights certain provisions for possible changes including:

- Add an optional, alternative bylaw requiring members to have separate accounts to meet membership requirements.
- Specify agenda requirements for annual board meetings.
- Permit all notices to be distributed electronically with member consent.
- Mail ballots with electronic election procedure instructions to eliminate members need to request a written ballot.
- Add revisions to address secrecy requirements in conjunction with “properly designed” ballots.
- Specify voting eligibility requirements.

### ***Final fixed asset rule adopted***

The NCUA Board issued final amendments to clarify and reorganize the fixed asset rule to make it easier to understand the rule which, among other things, limits investment in fixed assets to 5 percent of an FCUs shares and retained earnings.

The substantive changes to the rule that governs FCU ownership of fixed assets include:

- (1) Eliminate investments in any entity that holds fixed assets used by the FCU when calculating the investments in fixed assets; and
- (2) Establish a time frame for submitting waiver requests pertaining to required partial occupation of premises acquired for future expansion.

### ***Charter modifications***

#### ***Expansion***

The NCUA Board approved the request of \$255.2 million **First Community Federal Credit Union** to expand its community charter boundaries to include nine contiguous counties, with 937,037 residents, in Southwestern Michigan. First Community Federal Credit Union can

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now expand to serve the people who live, work, worship, or attend school, businesses and other legal entities located in the Michigan counties of Allegan, Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph and Van Buren.

*Conversions*

The NCUA Board approved the request of \$607 million **US Airways Federal Credit Union**, Moon Township, Penn., to convert from a multiple-group to a community charter able to serve the 2.7 million people who live, work, worship, attend school, businesses and other legal entities in Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland Counties in Pennsylvania.

The NCUA Board approved the request of \$54.3 million **Pennsylvania Central Federal Credit Union**, Harrisburg, Penn., to convert from a multiple group to a community charter able to serve the 585,799 people in the Southeastern region of Pennsylvania who live, work, worship, attend school, businesses and other legal entities in Cumberland, Dauphin and Lebanon Counties.

*Board votes are unanimous unless indicated.*