

GC/MM:sg

SSIC 6100

90-1033

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FROM: Hattie Ulan, Associate General Counsel

SUBJ: Nonstandard Bylaw Amendment Request []

(Your October 12, 1990, Memo)

DATE: October 26, 1990

You have asked whether there are any legal prohibitions on approving a nonstandard bylaw amendment request of [] (FCU). You have indicated that you are inclined to approve the amendment. We have no legal objection.

ANALYSIS

The FCU has adopted the standard bylaw amendments for Article V, Section 2, and Article VI, Sections 1, 2, and 8 which provide for voting by mail ballot at the annual meeting. The current FCU bylaw (Article VI, Section 8(e)) states:

Ballots mailed to the tellers of election must be received by the tellers no later than midnight 5 days prior to the date of the annual meeting.

The proposed bylaw amendment would change the period of time for returning the ballots to the tellers of election from five to seven days. The FCU justifies this request by noting that since their annual meeting is held on a weekday, moving the time period to seven days will guarantee that the final day for receiving ballots will also fall on a weekday. This will enable the FCU to avoid processing problems that occur when the final day falls on the weekend.

The proposed amendment does not violate the FCU Act or NCUA's Regulations. We have no objection to it.