

OGC/CJL:bhs
SSIC 6100
00-1203

TO:

FROM: Sheila A. Albin, Associate General Counsel

SUBJ: Nonstandard Bylaw Amendment

DATE: December 18, 2000

You have requested comment on a nonstandard bylaw amendment submitted for approval by the [] Federal Credit Union. We have no legal objections to the proposed amendment.

The FCU wants to adopt FCU Bylaws, Article V, Option A4, allowing for elections through electronic devices but it requests a minor alteration to the bylaw in order to retain ballot boxes on its premises during elections. The FCU proposes to incorporate language used in Article V, Option A3 regarding ballot boxes into Article V, Option A4. The FCU proposes to close the voting through ballot boxes as of the close of business no later than five days prior to the annual meeting to remain consistent with the closing dates provided in Article V, Option A4 for ballots submitted electronically or through the mail. See FCU Bylaws, Article V, Option A4, Sections (c)(4), (d)(7). We have no legal objection to this language. This amendment gives members a greater opportunity to participate in the election process and conforms to the basic standards set forth in the FCU Bylaws.

We note that proposed Section 2(e)(1) provides one reference to voting machines, although the bylaw does not mention voting machines elsewhere. The FCU may wish to delete this reference.

cc: All Regional Directors