

GC/MFR:bhs  
SSIC 6100  
02-0650

TO:

FROM: Sheila Albin, Associate General Counsel

SUBJ: Nonstandard Bylaw Amendment

DATE: June 28, 2002

You have asked this office to review a request from [ ] FCU to amend its bylaw governing director attendance at meetings. FCU Bylaws, Article VI, Section 8. We have no legal concerns with the proposed amendment that increases the number of meetings a director can miss from four to five and penalizes a director for late arrival or early departure from a meeting.

We note that the FCU uses the term “executive officer” rather than “board officer.” This term was used in Article VIII of prior versions of the bylaws to describe the board officers. We assume that this is how the FCU still describes its board officers.

To clarify, the proposed amendment, we suggest the following minor changes to the wording:

- First, the FCU should delete the sentence: “The purpose of this section is to define expected director attendance guidelines.” The words “expected” and “guidelines” create the impression that the bylaw is not mandatory. We do not believe that is the FCU’s intent.
- Second, at the end of the phrase “1) The director fails to attend regular meetings of the board, for three (3) consecutive months,” delete the period and replace it with a semicolon and add “or.”
- Third, in the phrase introduced by “2)” in the first paragraph, insert the word “missing” after the word “constitute” in the two places it appears.