

TO:

FROM: Sheila A. Albin, Associate General Counsel

SUBJ: Nonstandard Bylaw Amendment – [ ] FCU

DATE: July 23, 2004

You have asked for our concurrence on a nonstandard bylaw amendment to Article III, Section 7 of [ ] Federal Credit Union's (FCU's) bylaws. FCU Bylaws, Article III, Section 7. The proposed amendment requires joint account holders to establish separate membership accounts in order to be considered members of the FCU. As explained in OGC Legal Opinion 04-0257, dated May 3, 2004, available on the agency website, we have no legal concerns with the proposed nonstandard amendment.

We suggest revising the language of the proposed amendment to read as follows:

Each member must purchase and maintain at least one share in a share account that names the member as the sole or primary owner. Being named as a joint owner of a joint account is insufficient to establish membership.

Please let us know if you have any questions.