

GC/MFR:bhs
SSIC 3700
01-0756

TO:

FROM: Sheila A. Albin, Associate General Counsel

SUBJ: Nonstandard Bylaw Amendment

DATE: August 3, 2001

You have asked this office to review and comment on a nonstandard bylaw amendment submitted for approval by [] Federal Credit Union (FCU). We agree with your recommendation that the requested amendment be approved.

The proposed amendment defines pensioners and annuitants and is taken from the former FCU Standard Bylaw Amendments and Guidelines, October 1991. We have no legal concerns with the proposed definition. We note that J. Leonard Skiles in his capacity as head of the field of membership task force reviewed this amendment and concluded in the attached electronic mail dated October 27, 2000, that it did not conflict with NCUA's current FOM policy.

We note that the assumption that bylaws taken from the October 1991, FCU Standard Bylaw Amendments and Guidelines do not require concurrence is incorrect. When the Board adopted the FCU Bylaws in October 1999, it established three options for FCUs that do not require NCUA approval. These options are set out in the Foreword to the October 1999 Bylaws. FCUs may: retain their current bylaws; adopt the revised bylaws in their entirety; or retain portions of their current bylaws and adopt portions of the revised bylaws. Unless adopted by an FCU before 1999, prior versions of the FCU Bylaws are no longer in effect. Regional directors may approve those bylaws as a nonstandard amendment after consultation with the other regions and with the prior concurrence from the Office of General Counsel. NCUA Delegations of Authority, Supervision 12. Once a former NCUA bylaw has gone through the approval process, it does not need to be resubmitted for approval.

Attachment

cc: All Regional Directors