



May 15, 2018

Mr. Gerald Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Subject: Comments on Federal Credit Union Bylaws ANPR

Dear Mr. Poliquin:

Coastal Credit Union appreciates the opportunity to provide comments for the ANPR on changes to the standard Federal Credit Union Bylaws. Coastal is headquartered in Raleigh, NC with \$2.9 Billion in assets, serving 21 physical branches and more than 246,000 members.

In accordance with the Task Force's recommendations, included below are our comments for some of the specific questions posed by the Board:

I. How can the Board improve the FCU Bylaws amendment process?

Coastal supports revising the Bylaw amendment process to include:

- **Set timeframes**
There should be clearly stated timeframes within the Bylaws, no longer than 45 days, to process all amendment changes that have not been previously approved. Credit Unions should not be forced to wait an unknown amount of time for Bylaw amendments to be approved.
- **List of pre-approved categories for Bylaw amendments**
We would like to have access to a list of pre-approved categories for Bylaw amendments. The Board should also consider an immediate approval process for these pre-approved categories, this process could include an online application or notification process initiated by the credit union.

2. How can the Board improve the FCU Bylaws to encourage member attendance at annual and special meetings?

Coastal Federal Credit Union members, like many other credit union members, are more apt to read notices that have been emailed or sent via text message than ones that have only been mailed. They are also more likely to attend and vote at meetings if they are given an option to do so virtually. We would like to see the Bylaws clearly state that it is acceptable to send meeting notices to members via electronic means. Credit unions and members alike would

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benefit from being able to utilize technology to attend and vote at annual and special meetings. Webinars are widely used as a means of conducting meetings virtually. It would allow us to engage our members by providing them with options as well as include our members who don't reside in our 16-county area. Another benefit to utilizing webinars is it offers members the opportunity to ask questions in real time as well as enable them to cast votes electronically.

3. How can the Board clarify the FCU Bylaws provisions addressing limitation of service and expulsion of members?

As a credit union, we would like a way to expel an abusive member, a member who has caused a loss, or a member who may be involved in illegal activities without holding an expulsion meeting. The limitation of services is an option that's used but in some situations, may not be enough to protect our credit union and employees. In rare instances, a credit union should be granted the authority to expel members after providing advanced notification to the member and without calling an expulsion meeting where both the membership as well as the member to be expelled are invited to attend. This should be handled as a private matter between a credit union and the member in question with a reason presented for expulsion.

In closing, we'd like to thank NCUA's Regulatory Reform Task Force and the Board for issuing the ANPR and allowing us to provide comments on the suggested Bylaw changes. We feel strongly that streamlining, clarifying, and improving the standard Federal Credit Union Bylaws will benefit all credit unions.

Sincerely,



Chuck Purvis
President and Chief Executive Officer