

**From:** [James Sanders](#)  
**To:** [Regulatory Comments](#); [gpoliquin@ncua.gov](mailto:gpoliquin@ncua.gov); [Fairbanks, John](#); [Hardaway, Ben](#); [Snowden, Kenzie](#)  
**Subject:** James Sanders - Comments on Federal Credit Union Bylaws ANPR  
**Date:** Monday, May 21, 2018 5:38:21 PM

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Sir or Madam

I am not a credit union but I am an active member and are the true "stakeholder" of interest with regard to any changes to the "NCAU Standard Credit Union Bylaws". Credit union management and boards are not the stakeholders, they are supposed to work for the membership stakeholders.

I am writing to you to communicate my grave concern regarding the NCUA allowing changes to the Standard Bylaws or allowing CU's to deviate from the standard Bylaws as currently prescribed.

The current standard Mission of a credit union is as stated: "To provide Loan and Deposit services for the membership" That's exactly what it should be and is the true mission and spirit of The Federal **Credit Union Act** as enacted by Congress in 1934. Likely the only reason why CU's are exempt of income taxes at this point.

Allowing CU's to develop their own mission will open them up to deviating from the original Credit Union Act's mission. Many have side missions, that deviate from the standard mission, they openly communicate and use member funds and assess at the sole discretion of the CEO and Board. Their mission and focus should be on the membership completely.

I am respectfully requesting that you not allow any changes to the "Standard bylaws" with regard to the stated mission of a credit union to "To provide Loan and Deposit services for the membership"

Additionally, the current Standard Bylaws have very specific requirements regarding allowing members to run for the board (500 signatures or 10% which ever is lower). This rule effectively allows a member to run for the board with relative ease and foster change by getting on the board.

If CU's are allowed to increase minimum signature requirements, (increase the number of required signatures to get on ballot), it will effectively block out potential members from getting on the ballot, especially large membership CU's.

Any increase in required signatures would be self servicing for the current board members and CEO's at the detriment of the general membership that may want to run for the board. Additionally, allowing CU boards, and management, to change requirements effectively allows them to structure the rules to run for the board and make it nearly impossible for a member to get elected. This potential change could effectively freeze out new board members in favor of the current ones. These potential new board members may want further oversight and focus on the membership needs in general.

Again, I respectfully request that you not allow any Standard Bylaw changes in regard to the current minimum signatures to get on the ballot to run for the board.

The Current NCUA Standard Bylaws with regard to; mission and signatures to get on the ballot for election to the board do serve as an overall tool for the membership to hold boards and CEO's accountable if they materially deviate from expected standards.

I believe in the credit union industry and mission of; Providing Loan and Deposit services for the membership". I am very concerned how many CU's seem to deviate far from this mission and fear that our credit unions will jeopardize their tax status if the above changes are allowed to take place.

I would welcome a discussion of my concerns.

Regards

James Sanders