

GC/LH:sg

SSIC 3700

90-1213

[ ]

FROM: Hattie M. Ulan, Associate General Counsel

SUBJ: [ ] Federal Credit Union Nonstandard Bylaw Amendment

(Your December 5, 1990, Memorandum)

DATE: January 2, 1994

You have asked that we comment on two proposed nonstandard bylaw amendments submitted by [ ]. You have indicated that you are inclined to approve the amendments.

Analysis

The first proposed amendment adds Section 4, to permit mail balloting, to Article V of the Corporate FCU Bylaws. The second proposed amendment adds a sentence to Article VII, Section 6, of the Corporate FCU Bylaws to provide that no director or committee member may be a paid employee of the FCU for a two-year period following termination of his or her position unless the employee position to be filled exists as a result of a death or disability. We have no legal objection to either amendment. As you note, both of the proposed amendments are standard bylaw amendments for natural person FCUs. The proposed amendments violate neither the FCU Act nor NCUA's Rules and Regulations. We defer to your judgment as to whether the proposed amendments should be approved.