

July 13, 1994

Richard Rays, President/CEO  
East Bergen Teachers FCU  
370 Pascack Road  
Township of Washington, NJ 07675

Re: East Bergen Teachers FCU, Eligibility of a Member to Vote (Your June 24, 1994, Letter)

Dear Mr. Rays:

You have asked whether both owners of a joint share account who are also members of the FCU are eligible to vote. The answer as explained below is yes.

The NCUA Accounting Manual specifically allows an individual who is a joint owner of a share account and qualifies for membership to become a member without opening a separate account. "A separate individual account for each joint member is not needed." (See, Section 5030.1.5 of the NCUA Accounting Manual). Although a member is not required to open a separate account, in accordance with the Federal Credit Union Act, he or she is required to purchase one share of stock. See, 12 U.S.C. §1759. Therefore, for both joint account holders to qualify for membership, each must maintain at least one share of stock in the account. Article III of the FCU's Bylaws, sets out the conditions for purchasing and maintaining a share. Assuming the joint account owners have met the membership requirements, both would be entitled to vote. See, 12 U.S.C. §1759.

I hope that we have been of assistance.

Sincerely,

Richard S. Schulman  
Associate General Counsel

GC/MFR:bhs  
SSIC 3600  
94-0632