

**PROCEDURE and INSTRUCTIONS FOR
AMENDING CREDIT UNION BYLAWS**
(Code of Alabama §5-17-9)

Bylaws of individual credit unions differ as to which authority is to approve bylaws amendments--the members of the credit union or the Board of Directors. Check your bylaws to determine which authority votes on proposed amendments.

Amendments to the bylaws shall be submitted to the Administrator, who shall approve or disapprove the amendments within 60 days provided that the Administrator shall not disapprove an amendment which corresponds with the form of bylaws which the Administrator furnishes for the guidance of the incorporators of a credit union.

Procedure 1 is to be followed when requesting the Administrator's approval of bylaws amendment acted on by the **membership** as provided for in the credit union's current bylaws. See attached detailed instructions and sample documents.

Procedure 2 is to be followed when requesting the Administrator's approval of bylaws amendments acted on by the **Board of Directors** as provided for in the credit union's current bylaws. See attached detailed instructions and sample documents

Procedure 3 is to be followed when requesting the Administrator's approval for the **adoption of ACUA's standard bylaws**, acted on by either the membership or Board of Directors (as provided for in the credit union's current bylaws). See attached detailed instructions and sample documents. A word version may be obtained from ACUA upon request.

A FULL and COMPLETE SET OF BYLAWS, with amendments incorporated, SIGNED BY THE CHAIRMAN AND TREASURER or BOARD SECRETARY, MUST BE SUBMITTED for the Administrator's Approval. A copy will be returned to you. If you want an Original for your file, please submit two Original sets.

INSTRUCTIONS FOR PROCEDURE 1. Bylaws Amendments Acted on By Membership

For your guidance, the following Procedure should be followed when amending the Alabama state-chartered credit union's bylaws:

1. The Board of Directors, at any regular or special meeting, decide on what changes in the bylaws they will recommend to the membership for their approval.
2. A notice must be given to the membership announcing a membership meeting for amending the bylaws. It takes a 2/3 vote of the membership present (provided such number of present members represents a quorum) to amend the bylaws. Be sure to include a copy of the proposed amendments in the Call to Meeting. **(See Sample Notice A.)**
3. Upon approval by the membership of the suggested bylaws changes, a letter should be written to the Administrator of the Alabama Credit Union Administration certifying:
 - A. That the proposed amendments have been sent out to members, or posted in a conspicuous place, with the call to the meeting. Include a copy of the notice of the meeting with the letter to the Administrator.
 - B. That the proposed bylaws amendments have been approved by a 2/3 vote of the membership at the called meeting where a quorum of the membership was present.

(See Sample Letter B.)

Sample "A" for Procedure 1 (Approval by Membership)

NOTICE OF MEMBERSHIP MEETING

TO: All Members of XYZ Credit Union

FROM: Board of Directors of XYZ Credit Union

DATE:

PURPOSE: The consideration of and action on the proposed amendments to the bylaws of the XYZ Credit Union

In accordance with the Article (Number of Article), Section (Number of Section or Sections) of the Bylaws of the XYZ Credit Union, a regular/special meeting of the members of the XYZ Credit Union will be held on (date of meeting and location) to consider and take action of the proposed amendments to (List Article and Section numbers to amended) of the Bylaws of the XYZ Credit Union.

Present Reading (Area underlined denotes where change is to be made.)

Article (Number of Article) Section (Number of Section). Type in present wordage of this section and underline area to be changed.

Proposed Reading (Area underlined denotes change)

Article (Number of Article) Section (Number of Section). Type in proposed wording of entire section.

Sample "B" for Procedure 1 (Approval by Membership)

LETTER TO ACUA ADMINISTRATOR

[Date]

H. Greg McClellan, Administrator
Alabama Credit Union Administration
100 North Union Street, Suite 650
Montgomery, Alabama 36104

RE: Amendment to the Bylaws of XYZ Credit Union

Dear Mr. McClellan:

This letter certifies that the members of the XYZ Credit Union at a meeting assembled (*date of meeting*), after receiving notice of the called meeting with the stated purpose of the meeting and the proposed bylaws amendments, did amend their bylaws as follows:

Article _____, Section _____

Present Reading:

Type in the present wording of specific section.

Proposed Reading:

Type in entire section with amended wording.

(The above procedure would be followed for each Article and Section of the Bylaws amendments.)

We certify that at this meeting at least a quorum of (*enter quorum required by bylaws*) members were present and 2/3 of these members approved these bylaws amendments. We further certify that the proposed amendments were sent to the last known address of all members of the XYZ Credit Union or posted in a conspicuous place for the information of all members.

We would appreciate your review of the proposed bylaws changes and approval of same. The original signed set of bylaws is enclosed.

Sincerely,

President

Treasurer

I hereby attest that the action outlined above did occur at the membership meeting of XYZ Credit Union held on (*insert date*) and that these actions are outlined in the minutes of this meeting.

_____, Recording Secretary
Enclosure

INSTRUCTIONS FOR PROCEDURE 2. Approval by Board of Directors

For your guidance, the following Procedure should be followed when amending the Alabama state-chartered credit union's bylaws:

1. A Notice of Board of Directors Meeting for the purpose of amending bylaws shall be submitted to all Board Members. (See Sample C.)
2. Letter to the Administrator that the proposed bylaws amendments have been approved the Board of Directors at the meeting. (See Sample D.)

PROCEDURE 2. (Approval by Board of Directors)

Sample "C" to Procedure 2

NOTICE OF BOARD OF DIRECTORS MEETING

TO: Board of Credit Union

FROM: The President/Chairman of Board of Directors of the XYZ Credit Union

DATE:

PURPOSE: The consideration of and action of the proposed amendments to the bylaws of the XYZ Credit Union

In accordance with the Article (Number of Article), Section (Number of Section or Sections) of the Bylaws of the XYZ Credit Union, a regular/special meeting of the members of the Board of Directors of XYZ Credit Union will be held on (date of meeting and location) to consider and take action of the proposed amendments to (List Article and Section numbers to be amended) of the Bylaws of the XYZ Credit Union.

Present Reading (Area underlined denotes where change is to be made.)

Article (Number of Article) Section (Number of Section). Type in present bylaw verbiage in this section and underline area to be changed.

Proposed Reading (Area underlined denotes change)

Article (Number of Article) Section (Number of Section). Type in proposed wording of entire section.

Sample "D" of Procedure 2 (Approval by Board of Directors)

LETTER TO ACUA ADMINISTRATOR

[Date]

H. Greg McClellan, Administrator
Alabama Credit Union Administration
100 North Union Street, Suite 650
Montgomery, Alabama 36104

RE: Amendment to the Bylaws of XYZ Credit Union

Dear Mr. McClellan:

This letter certifies that the Board of Directors of the XYZ Credit Union at a meeting assembled (*date of meeting*), after receiving notice of the called meeting with the stated purpose of the meeting and the proposed bylaws amendments, did amend their bylaws as follows:

Article _____, Section _____

Present Reading:

Type in the present wording of specific section.

Proposed Reading:

Type in entire section with amended wording.

(The above procedure would be followed for each Article and Section of the Bylaws amendments.)

We certify that at this meeting at least a quorum of (*enter quorum required by bylaws*) the Board of Directors were present and a quorum of these Directors approved these bylaws amendments.

We further certify that the members of the Board of Directors received notice of the proposed amendments in advance of the meeting in accordance with the bylaws notice requirements.

We would appreciate your review of the proposed bylaws changes and approval of same. The original signed set of bylaws is enclosed.

Sincerely,

President

Treasurer

I hereby attest that the action outlined above did occur at the Board of Directors meeting of XYZ Credit Union held on (*insert date*) and that these actions are outlined in the minutes of this meeting.

_____, Recording Secretary
Enclosure

INSTRUCTIONS FOR PROCEDURE 3: Adoption of ACUA's Standard Bylaws

I. If adopting ACUA's Standard Credit Union Bylaws without an Elected Credit Committee:

Fill in the blanks in the Title of the document with the Credit Union's Name.

Fill in the blanks in: Article I, Section
Article II, Section 1
Article IV, Section 1 and Section 6.

In Article V – Elections: Please choose one of the 4 Options then continue this Article with Section 3 “Order of nominations” on page 12.

Fill in the blanks in: Article VI, Section 1.

Article XIV – Chose Options of member or Board of Directors authority to amend bylaws.

II. If adopting ACUA's Standard Credit Union Bylaws with an Elected Credit Committee:

Fill in the blanks in the Title of the document with the Credit Union's Name.

Fill in the blanks in: Article I, Section
Article II, Section 1
Article III, Section 1 and Section 2
Article IV, Section 1 and Section 6.

In Article V – Elections: Please choose one of the 4 Options then continue this Article with Section 3 “Order of nominations” on page 12.

Fill in the blanks in: Article VI, Section 1.

Article XIV – Chose Options of member or Board of Directors authority to amend bylaws.

See Sample Letters E and F for adoption of standard bylaws.

Procedure 3: Sample “E” (Membership Adoption of Standard Bylaws)

LETTER TO ACUA ADMINISTRATOR

H. Greg McClellan, Administrator
Alabama Credit Union Administration
100 North Union Street, Suite 650
Montgomery, Alabama 36104

RE: Amendment to the Bylaws of XYZ Credit Union

Dear Mr. McClellan:

This letter certifies that the members of the XYZ Credit Union at a meeting assembled (*date of meeting*), did elect to adopt the Standard Credit Union Bylaws (*note here whether with elected credit committee or without elected credit committee*) which is enclosed.

We certify that at this meeting at least a quorum of (*enter quorum required by bylaws*) of the members were present and 2/3 of these members approved to adopt the standard credit union bylaws. We further certify that the proposal to adopt were sent to the last known address of all members of the XYZ Credit Union or posted in a conspicuous place for the information of all members.

We would appreciate your review of the adoption of standard credit union bylaws and approval of same. The original signed set of bylaws is enclosed.

Sincerely,

President

Treasurer

I hereby attest that the action outlined above did occur at the membership meeting of XYZ Credit Union held on (*insert date*) and that these actions are outlined in the minutes of this meeting.

_____, Recording Secretary

Enclosure

Procedure 3: Sample "F" (Board of Directors Adoption of Standard Bylaws)

LETTER TO ACUA ADMINISTRATOR

H. Greg, Administrator
Alabama Credit Union Administration
100 North Union Street, Suite 650
Montgomery, Alabama 36104

RE: Amendment to the Bylaws of XYZ Credit Union

Dear Mr. McClellan:

This letter certifies that the Board of Directors of the XYZ Credit Union at a meeting assembled (*date of meeting*), did elect to adopt the Standard Credit Union Bylaws (*note here whether with elected credit committee or without elected credit committee*) which is enclosed.

We certify that at this meeting at least a quorum of (*enter quorum required by bylaws*) of the Board of Directors were present and a quorum of these Directors approved the adoption of these standard credit union bylaws.

We would appreciate your review of the adopted standard credit union bylaws and approval of same. The original signed set of bylaws is enclosed.

Sincerely,

President

Treasurer

I hereby attest that the action outlined above did occur at the Board of Directors meeting of XYZ Credit Union held on (*insert date*) and that these actions are outlined in the minutes of this meeting.

_____, Recording Secretary

Enclosure