Credit Union National Association  
State Chartered Credit Union  
Model Bylaws

Background

Bylaws are the written rules that control the internal affairs of organizations such as credit unions. They also govern the way the organization must function and the roles and responsibilities of its directors. They are essential in helping an organization define its purpose and the practical day-to-day details of how it will conduct its business.

Because the requirements for bylaws of state chartered credit unions vary from state to state, the model bylaws developed by the Credit Union National Association (CUNA) are only intended to provide ideas of what may be included in them and should be used solely as a resource. They have been developed to be general, in order to allow discretion and not restrict the credit union’s operations. However, when drafting or amending your bylaws, please ensure that they are consistent with your state’s credit union act as well as any other applicable laws and regulations.
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Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Article I
Name and Purposes

Comment
The name and purpose(s) should be the same as the name and purpose(s) listed in the charter. The following are samples.

Section 1.1. Name. The name of this credit union is __________________________.

Section 1.2. Purposes. The purposes of this credit union shall be to: provide members with an opportunity to use and control their money for their mutual benefit; encourage thrift among its members; provide members with a source of credit at reasonable interest rates; educate members in the prudent use of money and credit; operate in the spirit of cooperation and not for profit; improve the community in which it operates; and provide any services that may benefit its members, subject to the [insert name of state] Credit Union Act and the laws and regulations applicable thereto.

Option (Broad purpose)
Section 1.2. Purposes. The purpose of this credit union is to cooperatively provide services and benefits to members through the principle of mutual self-help and to engage in any other activities not prohibited by applicable laws or regulations.

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Article II
Powers

Comment
The powers of state credit unions are specified in each state’s act. You may want to use the broad and general section below.

Section 2.1. Powers. The credit union shall have all of the powers stated in the [insert name of state] Credit Union Act (as it may be amended) that are necessary for accomplishment of the purposes stated in Section 1.2 above.
Article III
Membership

Comment

Each state has specific membership requirements. Before drafting this article, see your charter, the membership provisions in your state’s credit union act and any applicable regulations. Draft the sections in this article in compliance with them.

To supplement your membership requirements, consider the sections below as long as they are consistent with your charter, your state’s credit union act and any applicable regulations.

Section 3.1. Membership. The field of membership of this credit union is: [insert].

Section 3.2. Eligibility. In order for an applicant to be eligible to join the credit union, the applicant must complete membership documents, agree to purchase and maintain at least one (1) share in the credit union and agree to pay any applicable fees.

Section 3.3. Approval of Applications. Applicants shall only become members of the credit union upon approval by the board or its designee.

Section 3.4. Membership Termination.

(1) The board may terminate a member for cause by a majority vote of board members, pursuant to a written policy adopted by the board. For the purposes of this section, “cause” may include a loss to the credit union, a violation of the membership agreement or any written policy or procedure adopted by the board, or inappropriate behavior such as physical or verbal abuse of credit union members or staff on credit union property. All members shall be given written notice of such policies. Any person terminated by the board shall have the right to request a hearing before the board to reconsider the termination.

(2) The credit union may terminate the membership of any member who withdraws his or her shares to less than one (1) share.

(3) Persons whose membership has been terminated, whether by withdrawal or termination, shall have no further rights in the credit union, but are not released from any obligation owed to the credit union.

(4) A member who has been terminated as provided herein, may not be readmitted to membership except upon approval by a majority vote of the board after application and proof

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that the applicant remains within the credit union’s field of membership, has adequately explained, addressed or remedied the conditions leading to termination and shall abide by the terms and conditions of membership. Not more than one (1) such application for readmission may be made by any person or entity within any twelve month calendar period.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Article IV
Meetings of Members

Comment
Before drafting this article, see your state’s credit union act requirements (if any) related to meetings of members and draft the sections in this article in compliance with your act. See, State Credit Union Acts.

Some acts provide that meetings will be held in the manner prescribed by the bylaws, e.g., Utah. Others have specific requirements for meetings. For example: The Maine statute requires the following:

The annual meeting of the members of a credit union must be held at such time and place as the board of directors may determine, but not later than 180 days after the close of the fiscal year. Special meetings may be called at any time by a majority of the directors, and must be called by the clerk upon written request of 25 members or 5% of the total members entitled to vote as of the date of request, whichever number is greater. Notwithstanding this section, the maximum number of members required to call a special meeting may not exceed 500. Notice of all meetings of the members must be given in the manner prescribed in the bylaws.

In the absence of specific requirements in your state’s credit union act or to supplement the specific requirements, consider the sections below, as long as they are consistent with your charter, your state’s credit union act and any applicable regulations.

Section 4.1. Annual Meeting. The credit union shall hold an annual meeting of the members during the month of [insert] at the time and place that the board shall designate.

Section 4.2. Special Meeting. A special meeting may be called at any time by the majority of the board. Notice of any special meeting shall state the purpose(s) of the meeting and no business matters other than those related to the stated purpose(s) shall be addressed at the meeting.
Section 4.2. Special Meeting. A special meeting may be called at any time by the majority of the board or upon written request to the board of at least ten percent (10%) of the total membership entitled to vote. Notice of any special meeting shall state the purpose(s) of the meeting and no business matters other than those related to the stated purpose(s) shall be addressed at the meeting. The board must schedule the meeting within forty-five (45) days of the request.

Section 4.3. Notice of Meetings. Notice of all meetings shall be given by the secretary of the board of the credit union who shall, at least twenty (20) days prior to the meeting, post a notice thereof in a conspicuous place in each office of the credit union and shall mail, or personally deliver, to each member a written notice of the meeting. In the case of special meetings, the notice shall state the purpose(s) of the meeting.

Section 4.4. Conduct of Meetings. Annual and special meetings shall be presided over by the chairperson of the board or his or her designee. The presiding officer shall determine the order of business.

Section 4.5. Quorum. At annual or special meetings, [insert number] members shall constitute a quorum. If no quorum is present, an adjournment shall be made to a date not fewer than ten (10) days nor more than twenty (20) days thereafter and the members present at the adjourned meeting shall constitute a quorum, regardless of the number of members present. The same notice shall be given for the adjourned meeting as is prescribed in Section 4.3 above.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Comment

Select an appropriate quorum requirement for your credit union. Your choice will depend, in part, on the size of your credit union, geographic location of your membership and participation of your members. Under most standard rules of parliamentary procedure, if a quorum requirement is not adopted, the quorum becomes a majority of members, by default – which is often impracticable. See the following options, but again, select an appropriate quorum for your credit union. Also, if proxy voting is permitted in Section 4.6, Section 4.5 should indicate that for purpose of determining a quorum, a person is considered present at a meeting if the member is present in person or by proxy.

Option 1
(Specifies number for quorum at annual and special meetings; liberal requirement for quorum at adjourned meetings)

Section 4.5. Quorum. At annual or special meetings, twenty-five (25) members shall constitute a quorum, except where the membership is less than one hundred (100) members, in which case fifteen (15) members shall constitute a quorum. If no quorum is present, an adjournment shall be made to a date not fewer than ten (10) days nor more than twenty (20) days thereafter and the members present at the adjourned meeting shall constitute a quorum, regardless of the number of members present. The same notice shall be given for the adjourned meeting as is prescribed in Section 4.3 above.

Option 2
(Specifies number for quorum at annual, special and adjourned meetings)

Section 4.5. Quorum. At annual or special meetings, twenty-five (25) members shall constitute a quorum, except where the membership is less than one hundred (100) members, in which case fifteen (15) members shall constitute a quorum. If no quorum is present, an adjournment shall be made to a date not fewer than ten (10) days nor more than twenty (20) days thereafter. Adjourned meetings shall be further adjourned in like manner until a quorum is present. The same notice shall be given for the adjourned meeting as is prescribed in Section 4.3 above.

Section 4.6. Voting on Issues. At all meetings, each member shall have one (1) vote. There shall be no voting by proxy; however, an organization having membership in the credit union may cast its one (1) vote through a designated agent authorized by the organization to transact business with the credit union.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Option
(Also allows voting by proxy on issues)

Section 4.6. Voting on Issues. At all meetings, each member shall have one (1) vote. Each member entitled to vote at any membership meeting may vote in person or by proxy. The form of the proxy and requirements for proxy voting shall be established by the board. An organization having membership in the credit union may cast its one (1) vote through a designated agent authorized by the organization to transact business with the credit union.
Article V
Elections

Comment

Before drafting this article, see your state’s credit union act requirements related to elections of board members and draft the sections in this article in compliance with your act. See, State Credit Union Acts. Most states have general election requirements, but allow the bylaws to prescribe specific requirements.

The following provisions may, and most likely do, need to be modified to conform to your state’s requirements. They may also be used to supplement your state’s requirements, as long as they are consistent with your state’s credit union act.

Section 5.1. Nominating Committee. At least sixty (60) days prior to each annual meeting, the chairperson shall appoint a nominating committee of three (3) or more members. It is the duty of the nominating committee to nominate at the annual meeting at least one (1) member for each vacancy for which elections are being held and to determine that the members nominated are agreeable to serving if elected.

Option
(Requires board member on committee)

Section 5.1. Nominating Committee. At least sixty (60) days prior to each annual meeting, the chairperson shall appoint a nominating committee of three (3) or more members, at least one (1) of whom shall be a member of the credit union’s board. It is the duty of the nominating committee to nominate at the annual meeting at least one (1) member for each vacancy for which elections are being held and to determine that the members nominated are agreeable to serving if elected.

Section 5.2. Voting in Elections. After the nominations of the nominating committee have been placed before the members of the credit union, the chairperson shall call for nominations from the floor. When nominations are closed, tellers shall be appointed by the chairperson, ballots shall be distributed, the vote shall be taken and tallied by the tellers, and the results announced. All elections shall be determined by plurality vote and shall be by written ballot, except where there is only one (1) nominee for the office, in which case a voice vote or show of hands is
acceptable. In the case of a tie vote, succeeding ballots shall be taken. There shall be no voting by proxy.

Option 1
(Also allows voting by proxy in elections)

Section 5.2. Voting in Elections. After the nominations of the nominating committee have been placed before the members of the credit union, the chairperson shall call for nominations from the floor. When nominations are closed, tellers shall be appointed by the chairperson, ballots shall be distributed, the vote shall be taken and tallied by the tellers, and the results announced. All elections shall be determined by plurality vote and shall be by written ballot, except where there is only one (1) nominee for the office, in which case a voice vote or show of hands is acceptable. In the case of a tie vote, succeeding ballots shall be taken. Each member entitled to vote in elections may vote in person or by proxy. The form of the proxy and requirements for proxy voting shall be established by the board. An organization having membership in the credit union may cast its one (1) vote through a designated agent authorized by the organization to transact business with the credit union.

You may want to add one or all of the following options to Section 5.2:

Option 2
(One vote per member)

Irrespective of the number of shares held, no member shall have more than one (1) vote.

Option 3
(Members must own at least one share)

No members shall be eligible to vote, to nominate or be nominated, or hold any office unless they own at least one (1) share.

Option 4
(Minimum age to vote or hold office)

The board may establish by resolution, a minimum age, not greater than the age of majority, as a qualification to vote at meetings of the members or hold office.

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Option 5
(Allows electronic voting)

The board may adopt policies and procedures providing for electronic voting by the membership in lieu of nominations from the floor. Prior written notice of such policies and procedures shall be given to the membership at least sixty (60) days before becoming effective.

Option
(Nomination by petition in lieu of nominations from the floor)

Section 5.3. Nomination by Petition. The board may adopt policies and procedures providing for nominations by petition from the membership in lieu of nominations from the floor. Prior written notice of such policy and procedures shall be given to the membership at least sixty (60) days before becoming effective.
Article VI
Board of Directors,
Officers and Their Duties

Comment
Before drafting this article, see your state’s credit union act requirements related to the board of directors and draft the sections in this article in compliance with your act. See, State Credit Union Acts. Most states have specific requirements related to the board.

The following are general board provisions for bylaws. They may, and most likely do, need to be modified to conform to your state act requirements. They may also be used to supplement your state’s requirements, as long as they are consistent with your state’s credit union act.

Section 6.1. Responsibility. The board shall have responsibility for the general management and control of the affairs, funds and records of the credit union. Additionally, the board shall have the duties set forth in Section __________ of ______________________________. [Reference your state’s credit union act.]

Section 6.2. Number of Board Members and Term. The initial board shall consist of _____ members, _____ who shall serve until the next annual meeting, _____ who shall serve until the second annual meeting, and _____ who shall serve until the third annual meeting, and until their successors are elected and qualified. Thereafter, the term of office for board members shall be three (3) years and until the election and qualification of their successors.

Comment
It is suggested that the number of board members should be an odd number (at least five) and that their terms should be staggered to maintain experience on the board.

Section 6.3. Qualifications. All board members shall be natural person members of the credit union and shall be at least the age of majority. No member of the board shall serve as a loan officer.

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Section 6.3. **Qualifications.** All board members shall be natural person members of the credit union and shall be at least the age of majority. No member of the board shall serve as a loan officer. No more than [insert number, if any] credit union employees may serve on the board at any one time.

Section 6.4. **Board Officers.** At their first board meeting, and annually thereafter at the first board meeting following the annual meeting of the members, the board members shall elect a chairperson (president), vice chairperson (vice president), treasurer and secretary.

Section 6.5. **Powers and Duties of Board Officers.**

1. The president shall preside at all meetings of the members and at all meetings of the board, and, together with the treasurer, shall sign all conveyances of property. The president shall perform such other duties as customarily appertain to the office of president or as he or she may be directed by the board not inconsistent with law or these bylaws.

2. The vice president shall have and exercise all the powers, authority, and duties of the president during the absence of the president or his or her inability to act.

3. The office and duties of the treasurer shall be as follows:

   a. Subject to such limitation and control as may be imposed by the board, the treasurer shall have custody of all funds, securities, valuable papers, and other assets of the credit union. The
treasurer shall provide and maintain full and complete records of all assets and liabilities of the credit union in accordance with the forms and procedures prescribed by law.

b. The treasurer shall conduct the general operations of the credit union under the control and direction of the board until a manager is employed.

c. The board shall appoint a manager and authorize him or her under the direction of the treasurer to perform any of the duties required of the treasurer, including the signing of checks. The manager may be compensated.

d. Within ten (10) days after the close of each month, the treasurer shall insure that the books are closed and that a financial and statistical statement showing the condition of the credit union as of close of business on the last business day of the preceding month, is prepared and submitted to the board. A copy of this statement shall be promptly posted in a conspicuous place in the main office of this credit union, where it shall remain until replaced by the financial statement of the succeeding month. The treasurer shall prepare and forward to [insert name of your state financial department] such financial reports as said [insert name of your state financial department] may require.

(4) The secretary shall prepare and maintain full and correct records of all meetings of the members and of the board. He or she shall give or cause to be given, in the manner provided by these bylaws, proper notice of all of the meetings of the members and shall perform such other duties as he or she may be directed to perform by resolution of the board, not inconsistent with law or these bylaws.

Section 6.6. Board Meetings. The board shall meet at least monthly. The date, time and place of the meetings shall be set by resolution of the board. Notice of all board meetings shall be given in such manner as the board may from time to time, by resolution, prescribe.

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Section 6.7. **Special Meetings of the Board.** Special meetings may be called by the chairperson. Additionally, special meetings shall be called by the chairperson at the request of three (3) or more board members. The chairperson, or in his or her absence, the vice chairperson, shall set the time and place of special meetings unless the board, by resolution, prescribes otherwise.

Section 6.8. **Quorum.** A quorum shall consist of a majority of the board members.

Section 6.9. **Vacancies.** Any vacancy on the board shall be filled by a vote of the majority of the remaining board members. In the event of a tie, the chairperson shall have the deciding vote. Board members so appointed shall hold office only until the next annual meeting, at which time the unexpired terms shall be filled by vote of the members.

Option
(Allows members to be removed for failure to attend meetings)

Section 6.9. **Vacancies.** Any vacancy on the board shall be filled by a vote of the majority of the remaining board members. Board members so appointed shall hold office only until the next annual meeting, at which time the unexpired terms shall be filled by vote of the members. If a member of the board fails to attend three (3) consecutive regular meetings, unless excused for cause, the office shall be declared vacant and the vacancy filled as provided in this section, but only after an opportunity has been given to the board member to be heard.

Section 6.10. **Board Appointment of Committee Members.** The board shall designate such committee or committees as it deems necessary and appropriate or as may be required by law for conducting the affairs of the credit union.

Comment

Most state credit union acts provide for board committees. Consult your act to determine which, if any, committees are permitted or required and add a section or sections to this article that sets forth the board’s authority and requirements with respect to such committees. See, State Credit Union Acts.

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Article VII  
Committees

Comment

Most state credit union acts provide for board committees. Consult your act to determine which, if any, committees are permitted or required and add a section or sections to this article that provides for such committees. See, State Credit Union Acts.

The following are general provisions for bylaws and are aligned with CUNA’s Model Credit Union Act, which only requires the appointment of an audit committee - appointment of other committees is at the discretion of the board. These general provisions eliminate the traditional supervisory committee, in a shift toward a post Sarbanes-Oxley audit committee.

Keep in mind, these general provisions may, and most likely do, need to be modified to conform to your state act’s requirements.

Section 7.1. Audit Committee. The board shall appoint from among the members of the credit union, an audit committee of not less than three (3) persons within thirty (30) days following each annual election. At the first annual meeting, elections to the audit committee shall be held in such manner that the term of office of ________ member(s) shall expire at the end of one (1) year, the term of office of ________ member(s) shall expire at the end of two (2) years, and the term of office of ________ member(s) shall expire at the end of three (3) years. Thereafter, members of the audit committee shall serve from the time of their election for a period of three (3) years and until their successors have been elected. Members of the audit committee may, but need not be, on the board of directors.

Section 7.2. Other Committees. The board may appoint other committees necessary or convenient to the operation of the credit union.
Article VIII
Shares and Dividends

Comment
Consult your state’s credit union act to determine the requirements related to shares and deposits. See, State Credit Union Acts. The following are general provisions; they may need to be modified to conform to your state’s requirements. They may also be used to supplement your state’s requirements, as long as they are consistent with your state’s credit union act.

Section 8.1. Par Value. The par value of one (1) share shall be set by the board.

Comment
With the wording in Section 8.1, there is no need to amend the bylaws in the event the board increases the par value of a share.

Section 8.2. Limit on Shares. The board may establish, by resolution, a limit on the number of shares which may be owned by a member.

Section 8.3. Withdrawals. Money paid in on shares or into any accounts may be withdrawn on any day when payment for shares and other accounts may be made; however, the board shall have the right at any time to require members to give [insert number, e.g., 30, 60] days’ written notice of intention to withdraw all or any part of the amounts paid in by them.

Section 8.4. Dividends. Dividends shall be declared by the board, or the board’s delegee [select one: monthly/quarterly/semi-annually/annually] and shall be paid on all eligible shares outstanding at the time of the declaration.

Section 8.5. Minors. Shares may be issued in the name of a minor. State law shall govern the rights of minors to transact business with the credit union.

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Article IX
Loans and Investments

Comment

Before drafting this article, see your state’s credit union act related to loans and draft the sections in this article in compliance with your act. See, State Credit Union Acts. Most states have specific requirements related to loans.

The following are general loan provisions for bylaws. They may, and most likely do, need to be modified to conform to your state’s requirements. They may also be used to supplement your state’s requirements, as long as they are consistent with your state’s credit union act.

Section 9.1. Loans. The credit union may provide loans to members for such purposes and upon such conditions as prescribed by the board. The board shall establish written policies with respect to the granting of loans and the extending of lines of credit, including the terms, conditions and acceptable forms of security. All loans shall be evidenced by records adequate to support enforcement and collection of the loans and periodic reviews for safety and soundness.

Section 9.2. Interest. The rate of interest on loans shall be fixed from time to time by the board and shall in no case exceed the maximum rate permitted by law.

Section 9.3. Maximum Amount. No loan shall be made to any member in excess of any maximum amount set by the board.

Section 9.4. Delinquency. Any member whose loan is delinquent may be required to pay a late charge as determined by the board, as long as such charge is consistent with applicable law.

Section 9.5. Investments. The credit union shall make all investments in accordance with applicable law, the [insert name of state] Credit Union Act and the policies established by the board.

Section 9.6. Loans to Officials.

(1) The credit union may make loans to directors, officers and committee members, provided that the loan complies with all requirements of the [insert name of state] Credit Union Act and is not on terms or conditions more favorable than those extended to other similarly situated members of the credit union.

(2) The credit union may permit directors, officers and committee members to act as co-makers, cosigners, or guarantors of loans to other members, subject to the requirements of subsection (1).

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(3) It shall be the duty of the board to establish a written policy concerning loans to directors, officers and committee members.

| Option  
| (Broad loan provisions) |

Section 9.1. Loans. Loans shall be made in accordance with applicable law, the [insert name of state] Credit Union Act and the written policies established by the board.
Article X  
General Provisions

Comment
You may want to select one or more of the following general provisions to fit the needs of your credit union, so long as they are consistent with your state’s credit union act.

Indemnification

Comment
Your Credit Union’s indemnification provision may be included in either your state’s credit union act or your bylaws, but need not be included in both.

Before adopting an indemnification provision, carefully consider who your credit union wishes to indemnify and to what extent. For example, you may wish to indemnify your volunteers and executive personnel, but not your front office staff. You may select, modify or combine one or more of the following options to fit the needs of your credit union, so long as they are consistent with your state’s credit union act. You are urged to seek legal advice on this matter.

Option 1  
(Broad indemnification)

Section 10.1. Indemnification. The credit union may indemnify directors, officers, committee members and employees who have been made [or are threatened with being made] a party to any suit or proceeding, whether civil, criminal, administrative, investigative or otherwise, by reason of the fact that the person is or was a director, officer, committee member, or employee of the credit union. Any such indemnification shall be limited to reasonable expenses incurred from such suit or proceeding.

The credit union may advance or reimburse expenses reasonably incurred by a director, officer, committee member or employee who has been made [or is threatened with being made] a party to a suit or proceeding in advance of a final disposition. All decisions pertaining to indemnification shall be made by majority vote of disinterested directors serving on the board.

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Option 2  
(No indemnification for criminal matters; narrower than Option 1)

Section 10.1. Indemnification. The credit union may indemnify directors, officers, committee members and employees who have been made [or are threatened with being made] a party to a suit or proceeding, whether civil, administrative, or investigative, but excluding all criminal matters, arising out of their service at the credit union while acting in good faith to further what they reasonably believed to be the best interests of the credit union. Any such indemnification shall be limited to reasonable expenses incurred from such suit or proceeding.

The credit union may advance or reimburse all expenses reasonably incurred by a director, officer, committee member or employee who has been made [or is threatened with being made] a party to a suit or proceeding in advance of a final disposition. All decisions pertaining to indemnification shall be made by majority vote of disinterested directors serving on the board.

Option 3  
(Requires indemnification under certain circumstances and permits indemnification under other circumstances; Permits purchase of indemnification insurance)

Section 10.1. Indemnification. The credit union shall indemnify directors, officers, committee members and employees who are successful in the defense of any suit or proceeding in which they were made a party because of their connection to the credit union.

The credit union may indemnify any acting or former director, officer, committee member or employee made a party to a suit or proceeding, or obligate itself to advance or reimburse expenses incurred in a suit or proceeding, provided that the credit union shall not indemnify for: (a) that persons’ acts or omissions adjudged to be intentional misconduct or a knowing violation of law; (b) conduct making the person liable for an unlawful distribution to members; or (c) any transaction in which the person is adjudged to have received a benefit in money, property or services, to which the person was not entitled.

Any determination to indemnity or advance expenses under this section shall be made by a majority vote of disinterested directors and shall be limited to reasonable expenses incurred from such suit or proceeding. Any indemnification or advance of expenses to a person under this section shall be reported, in writing, to the members of the credit union before the next annual membership meeting.

The credit union may, but shall not be required to, purchase and maintain insurance on behalf of any individual who is or was a director, officer, committee member or employee of the credit union to insure against liability incurred by any such person.
Conflict of Interest

10.2. Conflict of Interest. A director, officer, committee member or employee of the credit union may not in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting such person’s financial interest or the financial interest of any corporation, partnership or association, other than the credit union, in which the person is directly or indirectly interested. In the event of any such disqualification of a director, the remaining qualified directors present at the meeting, if constituting a quorum with the disqualified director(s), may exercise with respect to such matter, by majority vote, all the powers of the board.

Emergency Operations

10.3. Emergency Operations. In the event of an emergency sufficient to disrupt customary credit union operations, the credit union shall conduct its affairs under guidance from the credit union’s board and subject to any government directives. Emergency operations shall be conducted under a crisis recovery plan approved by the credit union’s board.

Confidentiality

10.4. Confidentiality. The directors, officers, committee members and employees of the credit union shall hold in confidence all transactions of the credit union with its members and all information regarding their personal affairs, except to the extent deemed necessary by the board in connection with the making of loans and the collection thereof or as permitted or required by applicable state or federal law.

Removal of Directors and Committee Members

Section 10.5. Removal of Directors, Officers and Committee Members. Notwithstanding any other provision in these bylaws, any director, officer or committee member of the credit union may be removed from office by the affirmative vote of a majority of the members present at a special meeting called for such purpose, but only after an opportunity has been given to the director, officer or committee member to be heard.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Optional (Requires two-thirds vote for removal)

Section 10.5. Removal of Directors, Officers and Committee Members. Notwithstanding any other provision in these bylaws, any director, officer or committee member of the credit union may be removed from office by the affirmative vote of two-thirds (2/3) of the members present at a special meeting called for such purpose, but only after an opportunity has been given to the director, officer or committee member to be heard.

Compliance with Laws and Regulations

Section 10.6. Compliance with Laws and Regulations. All power, authority, duties and functions of the directors, officers, committee members and employees of the credit union shall be exercised in compliance with applicable laws and regulations, the charter of the credit union and these bylaws. If any provision in these bylaws conflicts with any applicable state or federal laws or regulations, such provision is deemed to be amended to conform to the applicable law or regulation.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Article XI
Amendment of Bylaws

Comment
Before drafting this article, see Appendix A for your state’s requirements to amend bylaws.

Section 11.1. Amendment by Board. These bylaws may be amended in any manner not inconsistent with applicable law by a majority vote of the board at any duly convened meeting of the board, but only after the members of the board have been given at least thirty (30) days notice of said meeting and the notice includes a copy of the proposed amendment or amendments.

Option
(Allows amendments by members)

Section 11.2. Amendment by Members. These bylaws may be amended by a three-fourths (3/4) majority vote of the members present at any annual or special meeting of the members, if the notice of such meeting included a copy of the proposed amendment or amendments.

Section 11.3. Effective Date. No amendment of these bylaws shall become effective until approved by the [insert name the department that must approve amendments in your state, if applicable; See Appendix A].

Section 11.4. Report to Membership. Amendments shall be reported to the membership of the credit union no later than the next membership meeting following approval of such amendment.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Appendix A

State Credit Union Act Requirements
To Amend Existing Bylaws

Alabama


. . . The bylaws may be amended as provided in the bylaws. 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. There shall be no voting by proxy, a member other than a natural person casting a single vote through a delegated agent.

Alaska

Alaska Stat. § 06.45.020. Formation of credit union.

(c) . . . Copies of the original bylaws of the credit union and any amendments of the bylaws shall be filed with the commissioner.

Arizona


C. The board of directors may adopt proposed amendments to the bylaws at any duly held meeting by a three-fourths majority vote. After proposed amendments have been approved, the board shall submit the proposed amendments to the superintendent for his approval. The amendments are effective on approval of the superintendent. At the next regular or special meeting of the membership the board shall submit all amendments to the bylaws to the members for ratification.

Arkansas


(a) The articles of incorporation and bylaws may be amended as provided in the bylaws.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
(b) (1) Amendments to the articles of incorporation and the bylaws shall be submitted in writing to the State Credit Union Supervisor.
(2) Amendments shall become effective upon approval in writing by the State Credit Union Supervisor.

**California**

Cal. Fin. Code §14103. The bylaws shall prescribe the manner in which the business of the credit union shall be conducted with reference to the following matters:

(g) The manner in which the bylaws may be amended.

Cal. Fin. Code §14456. Unless the bylaws expressly reserve any or all of the following duties to the members, the directors have all of the following special duties:

(f) To amend the bylaws, except where membership approval is required.


(e) Subdivision (a) notwithstanding:

1. No amendment of the articles or bylaws repealing, restricting, creating or expanding proxy rights may be adopted without approval by the members.
2. No amendment of the articles or bylaws restricting or limiting the use of proxies may affect the validity of a previously issued irrevocable proxy during the term of its irrevocability, so long as it complied with applicable provisions, if any, of the articles or bylaws at the time of issuance, and is otherwise valid under this section.

**Colorado**


. . . Any and all amendments to the bylaws shall be approved by the commissioner before they become operative.

**Connecticut**


(h) (2) The bylaws of a Connecticut credit union may not be amended without the written approval of the commissioner for a period of three years following issuance by the commissioner.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Georgia

Ga. Code. Ann. §7-1-634. Amendment of articles and bylaws; fee for investigation; approval or denial by department.

(a) Amendments to the bylaws of a credit union may be adopted and amendments of the articles may be requested by the affirmative vote of two-thirds of the authorized number of members of the board of directors at any duly held meeting thereof if the members of the board have been given prior written notice of said meeting and the notice has contained a copy of the proposed amendment or amendments. No amendment of the bylaws or of the articles shall become effective until approved in writing by the department.
(b) Every proposed amendment of the articles shall be filed in triplicate with the department together with the fee specified in Code Section 7-1-862. Proposed amendments of the bylaws shall be filed with the department.
(c) The credit union may amend its bylaws to change its field of membership by adding additional groups of persons subject to the following conditions:
   (1) Each new group must have a common bond that meets one of the descriptions in subsection (b) of Code Section 7-1-630; and
   (2) The credit union must pay such fee as may be established by the department to defray the cost of investigation.
(d) The department shall grant or deny approval of a complete and accepted application to amend the bylaws within 90 days, subject to safety and soundness and other criteria established by the department for these applications.
(e) The department shall maintain a permanent record of any approved amendment to the bylaws of a credit union which changes the field of membership proposed in the original articles or as subsequently amended.


(a) The department shall, in its discretion, approve or disapprove of proposed amendments to the articles or to the bylaws within 90 days after they are submitted by the credit union and within that time shall so advise the Secretary of State of any changes to the articles and inform the credit union in writing of its approval or disapproval.
(b) If the department should disapprove any articles or proposed amendments to articles or bylaws, it shall state the reasons for its disapproval. The subscribers or credit union shall have reasonable time, not more than 90 days from the date of disapproval or such additional time as the department may allow, to correct any matters causing its disapproval. If such matter is corrected, the department shall then advise the Secretary of State and credit union in writing of its approval of changes to the articles or the credit union alone in writing of its approval in the case of amendment of the bylaws.
(c) Final action by the department in approving or disapproving articles or amendments thereto or to the bylaws shall be conclusive, except that it may be subject to judicial review under Code

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
**Hawaii** – No provision for amending bylaws in the state credit union act.

**Idaho**


The articles of incorporation or the bylaws may be amended as provided in the bylaws. Any and all proposed amendments to the articles of incorporation or bylaws shall be submitted in writing to the director of finance for approval before they are submitted to a vote by the members. Amendments approved by the members shall become effective upon certification of member approval in writing to the director. A copy of the articles of incorporation or bylaws, as amended, shall be submitted to the director within sixty (60) days after the effective date of an amendment.

**Illinois**

205 Ill. Comp. Stat. § 305/4. Amendments to Articles of Incorporation and Bylaws.

Amendments to the Articles of Incorporation may be made by the members at any regular or special meeting, if the proposed amendment is set forth in the call of the meeting and is approved by at least two thirds of the members present at a meeting at which a quorum is present. Amendments to the bylaws may be made by the members at any regular or special meeting, if the proposed amendment is set forth in the call for the meeting and is approved by a majority of the members present at a meeting at which a quorum is present. Amendments to the bylaws may also be made by the Board of Directors at any regular or special meeting, if the proposed amendment is set forth in the call of the meeting and approved by at least two thirds of the Directors present at a meeting at which a quorum is present. A report shall be made to the members at the next annual meeting of any amendments to the bylaws adopted by the Board of Directors. Any amendment to the Articles of Incorporation or bylaws of a credit union shall be approved by the Director before the amendment is effective. The Director shall approve or disapprove of any amendments within 60 days after submission to him.

**Indiana**

Ind. Code § 28-7-1-16

Board of directors; board officers; credit union officers; board meetings; executive committee; directors’ duties; loan officers; delegation of duties; suspension or removal of officer; action by written consent

(f) It is the duty of the directors to do the following:

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
(2) To amend the bylaws, provided that the qualifications for membership in the credit union are principally defined in the articles of incorporation.

Ind. Code § 28-7-1-14
Fiscal year; membership meetings; voting rights

Sec. 14. A credit union fiscal year shall end at the close of business on the thirty-first day of December. Special meetings of the members of any credit union may be convened by order of the board of directors or the supervisory committee, or by a petition of at least ten per cent (10%) of the members. A member shall have one (1) vote. The members may decide on any matter concerning the credit union. The members may overrule the directors, and, by a three-fourths (3/4) vote of those present, may amend the bylaws if the notice of the meeting stated the proposed amendment.

Iowa

Iowa Code § 533.20. Organization.

8. Bylaws may be amended by any of the following methods:
   a. The favorable vote of a majority of the members present at a meeting, if that number constitutes a quorum and if the proposed amendment was contained in the notice of the meeting.
   b. The favorable vote of a majority of the members of the board.
   c. By a majority vote of members voting by mailed or electronic ballot, ensuring the confidentiality of voters, according to procedures specified by rule of the superintendent, requiring at least twenty days’ notice to all members. An announcement shall be made to members of the results of the vote. Ballots shall be preserved for a reasonable period of time following the vote.
   d. A combination of procedures as specified in paragraphs “a” and “c”, whereby members are allowed to vote either in person at a meeting or by mailed or electronic ballot, according to procedures specified by rule of the superintendent. If the proposed amendment receives a favorable majority of the total votes cast in person and by mailed or electronic ballot, the bylaws shall be amended.

Kansas


(a) Amendments of the bylaws may be adopted and amendments of the charter may be requested by the membership pursuant to K.S.A. 17-2207, and amendments thereto, or by the affirmative vote of 2/3 of the authorized number of members of the board of directors at any duly held meeting, if the members of the board have been given prior written notice of the meeting and the notice has contained a copy of the proposed amendment or amendments.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.

(b) No amendment to the bylaws shall become operative until approved by the administrator in writing, and until a certified copy has been filed as original bylaws are filed.

**Kentucky**


(1) The articles of incorporation or the bylaws may be amended as provided in the bylaws. Amendments to the articles of incorporation or bylaws shall be submitted to the commissioner who shall approve or disapprove the amendments within sixty (60) days.

(2) Amendments shall become effective upon approval in writing by the commissioner.

**Louisiana**


A. The members of a credit union may make, amend and repeal the by-laws of the credit union. This power may be expressly vested by the articles, or by a by-law adopted by the members, in the board of directors, subject always to the power of the members to change the action of the directors. Unless the articles or by-laws provide otherwise, the powers hereby conferred shall be exercised by a majority vote of the directors or the members of the credit union, as the case may be, present at any regular or special meeting convened after at least ten days’ notice, and the notice has contained a copy of the proposed by-laws or proposed amendment or amendments.

B. No by-laws or amendments of the by-laws shall become effective, however, until approved in writing by the commissioner.

C.(1) Notwithstanding Subsection B of this Section, a credit union may amend its bylaws through a field of membership expansion by providing written notice to the commissioner in the manner and on a form prescribed by him, if the credit union meets all the criteria below:

(a) The most recent credit union examination rating is two or better.

(b) The net worth ratio of the credit union is at least seven percent as of the previous quarter-end.

(c) The group proposed for membership consists of five hundred or fewer individuals.

(2) However, the commissioner may issue a written notice of disapproval within ten days after receiving such form, or longer time if the commissioner determines that additional information is required.

**Maine**


1. Procedure. Amendments of the bylaws may be adopted, and amendments of the charter requested, by the affirmative vote of 2/3 of the members of the board of directors at any duly
held meeting thereof, if the members of the board have been given at least 7 days' notice of said meeting and the notice has contained a copy of the proposed amendment or amendments.

**Maryland**

Md. Code § 6-320. Amendment of bylaws or articles of incorporation -- In general.

(a) Member approval. --

(2) (i) Except as provided in subparagraph (ii) of this paragraph, the board may amend the bylaws without approval of the members.

(ii) The board may amend the bylaws only with the approval of the members for any amendment that addresses one of the following subjects:
1. The manner or method by which a meeting of the members can be convened;
2. Quorum requirements for a meeting of the members;
3. The voting rights of members;
4. Except as provided in § 6-303(b) of this subtitle, any change in the field of membership;
5. Requirements for the number, classifications, qualifications, and term of office for directors;
6. Procedures for removing directors;
7. Procedures for filling vacancies on the board; and
8. Any other issue as determined by the Commissioner.

(b) Required notice and vote. -- At any meeting of the members, the members may amend the articles of incorporation or, may approve an amendment to the bylaws as provided in subsection (a)(2)(ii) of this section, if:

(1) The notice of the meeting specifies the amendment to be considered; and
(2) Two-thirds of the members present vote for the amendment.

(c) When amendment becomes effective. --

(1) An amendment to the articles of incorporation does not become effective until:
   (i) The amendment is approved by the Commissioner in writing no later than 60 days after the date of submission of the proposed amendment, unless the Commissioner and the credit union agree to a longer period of time; and
   (ii) A copy of the amendment certified by the Commissioner is filed with the State Department of Assessments and Taxation.

(2) Whether approved only by the board or by the members as required under subsection (a)(2)(ii) of this section, an amendment to the bylaws does not become effective until the amendment is approved by the Commissioner in writing no later than 60 days after the date of

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Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.

**Minnesota**

Minn. Stat. § 52.02. **BYLAWS AND AMENDMENTS, APPROVAL.**

Subdivision 1. Amendments by members. (a) To amend the certificate of organization or bylaws, proposed amendments shall be set forth as follows:

(1) if balloting by mail has not been authorized by the board of directors, then a statement of intent to amend which identifies the proposed amendments shall be set forth in the notice of the meeting; or

(2) if balloting by mail has been authorized by the board of directors as either the exclusive means of voting or in conjunction with voting in person, a statement of intent to amend which identifies the proposed amendments shall be set forth in a notice mailed to all members eligible to vote at least 30 days prior to the close of balloting by mail. Any amendments to the certificate of organization or bylaws shall be approved by two-thirds vote of the members actually voting, if the members actually voting constitute a quorum.

(b) A member receiving notice of a proposed bylaw amendment pursuant to this subdivision may request a written copy of the proposed bylaw amendment. This request must be made no later than ten days prior to the close of balloting by mail or the date set for the meeting. The credit union shall provide the member with a written copy of the proposed bylaw amendment upon receipt of a timely request and the original notice must inform the member of the right to make a request. A copy of the proposed amendments shall be posted in the credit union’s office for member review 30 days prior to the close of balloting by mail or the date of the meeting.

Subd. 2. Bylaw amendments by directors. The members may, pursuant to subdivision 1, provide for the bylaws to be amended by the board of directors. If the bylaws permit amendment by the directors, any amendments shall be approved by a two-thirds vote of the total number of directors authorized. The board of directors shall not adopt, amend, or repeal a bylaw fixing a quorum for meetings of members, prescribing procedures for removing directors or filling vacancies in the board, or fixing the number of directors or their classifications, qualifications, or terms of office, but may adopt or amend a bylaw to increase the number of directors. If three percent or more of all members propose a resolution for action by the members to adopt, amend, or repeal bylaws adopted, amended, or repealed by the board and the resolution sets forth the provisions proposed for adoption, amendment, or repeal, the resolution shall be submitted to the members for a vote as provided in subdivision 1.

Subd. 3. Approval. Amendments to the certificate of organization or bylaws, other than the addition to the field of membership of a small group or a group determined by the commissioner under section 52.05 to be too small to form its own credit union, must be approved by the commissioner of commerce before they become operative. The commissioner shall not unreasonably withhold approval if the amendments do not violate any provision of this chapter or other state law. In any event, the commissioner shall approve or disapprove the proposed amendment within 60 days of the date the proposed amendment is submitted to the
commissioner by the credit union. In case of disapproval the credit union shall have the right to appeal to a court of competent jurisdiction within the time limits stated in section 52.01, clause (6). In case any amendment to the certificate of organization is adopted, the resolution, containing a full text of the amendment and verified by its president or treasurer and approved by the commissioner of commerce, shall be recorded in the Office of the Secretary of State. Upon addition to the field of membership of a small group or a group determined by the commissioner under section 52.05 to be too small to form its own credit union, a credit union must provide timely written notice to the commissioner, and the commissioner shall have 30 days from receipt of the notice to reject the addition of that group; if the commissioner does not reject the addition within that period, it is deemed approved.

**Mississippi**


(2) Amendments to the bylaws may be made by members at a regular or special meeting, if the proposed amendment is set forth in the call for the meeting and is approved by a majority of the members present at a meeting at which a quorum is present. The amendment of bylaws shall not become effective until approved in writing by the commissioner.

**Missouri**

Mo. Rev. Stat. § 370.060. Amendments to bylaws, effective when.

No amendment to the bylaws shall become operative until approved by the director of the division of credit unions and until a certified copy has been filed as original bylaws are filed.

**Montana**


(1) The articles of incorporation or the bylaws may be amended as provided in the bylaws. Amendments to the articles of incorporation or bylaws must be submitted, by certified mail, return receipt requested, to the department of administration, which shall approve or disapprove the amendments within 60 days.

(2) Amendments become effective upon:

(a) approval in writing by the department, for which a fee may not be charged; and

(b) in the case of articles of incorporation, filing with the secretary of state.

(3) If the department does not approve or disapprove the amendments within the 60-day period, the amendments must be considered approved, except that the department may extend the approval period for an additional 30 days for good cause as stated in a written notice given to the credit union within the original 60-day period.

Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
Nebraska


(1) The articles of association may be amended at any regular or special meeting at which a quorum of the members as provided in the bylaws is present if the notice of the meeting contained a copy of the proposed amendment. An amendment shall not become effective until it has been filed with and approved in writing by the department and the fee prescribed by section 8-602 has been paid. One copy of an amendment or amendments to the articles of association shall be filed in the office of the county clerk of the county where the credit union has its principal place of business, for which a fee of fifty cents shall be charged.

(2) Except as provided in subsection (3) of this section, the bylaws may be amended at any regular or special meeting of the board of directors by a majority of the total directors if the notice of the meeting contained a copy of the proposed amendment. An amendment shall not become effective until it has been filed with and approved in writing by the department and the fee prescribed by section 8-602 has been paid.

(3)(a) The board of directors may adopt by resolution standard bylaw amendments adopted and promulgated by the department from time to time. The standard amendments may include two or more alternatives that the board of directors may elect. The standard bylaw amendments may also include companion amendments which shall be adopted as a unit.

(b) The board of directors may adopt any standard bylaw amendment without prior approval of the department as long as the standard bylaw amendment is adopted without any change in wording and a Certificate of Resolution adopting such amendment is submitted to the department containing the adopted language within ten days after the adoption of such amendment. Certificate of Resolution forms shall be furnished by the department upon request. The fee prescribed by section 8-602 shall not be charged when standard bylaw amendments are adopted.

Nevada


1. The articles of incorporation or bylaws may be amended as provided in the bylaws. Any amendment to the articles of incorporation or bylaws do not become effective until approved in writing by the Commissioner.

2. The Commissioner shall not charge any fee for approving amendments to the articles of incorporation or bylaws of any credit union organized pursuant to this chapter.

New Hampshire


Because of varying state laws and regulations that may impact each credit union’s bylaws, CUNA does not warrant that the language in this document will necessarily comply with a particular state’s laws or regulations. Credit unions are urged to consult with legal counsel prior to implementing any bylaws developed using these model bylaws.
The board of directors of a credit union may, by majority vote, amend the bylaws.

**New Jersey**


Every credit union shall, by majority vote of its members, adopt bylaws consistent with the laws of this State. The bylaws may be amended from time to time. A copy of the bylaws and all amendments thereto shall be certified by the secretary and forwarded to the commissioner, but shall not become effective until approved by the commissioner. If the commissioner does not approve the bylaws or any amendments thereto within 30 days of their submission, they shall be deemed approved. Upon the commissioner's approval the bylaws or any amendments thereto shall be filed with the department.

**New Mexico**


A. The articles of organization and the bylaws may be amended as provided in the articles and bylaws, respectively. Amendments to the articles of organization or bylaws shall be submitted to the director who shall approve or disapprove the proposed amendments within thirty days after submission.

B. The director shall not approve any amendment to articles or bylaws which he determines would be detrimental to any credit union's safety or soundness or to the welfare of a credit union's members. No amendment shall become effective until approved by the director. If the director disapproves any proposed amendment, the credit union may appeal the disapproval to the court of appeals within thirty days.

**New York**

Banking Law, art 11, § 478. Amendment of bylaws; approval of superintendent.

1. The bylaws of a credit union may be changed or amended by a vote of a majority of the total number of directors which a credit union would have if there were no vacancies present at any meeting; provided the proposed change or amendment shall have first had the approval of the superintendent, except as provided in subdivision two of this section; and provided further, that notice of such meeting, with notice of the proposed change or amendment, shall have been given to each director as prescribed in the bylaws and provided, further, that any amendment, or change in a bylaw affecting the manner or method by which a shareholders' meeting may be convened, the voting rights of the shareholders, or a decrease in the number of directors of the

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credit union shall also require the approval of a majority of the shareholders present at a meeting of the shareholders. A copy of any change or amendment thus adopted shall be filed in the office of the superintendent within thirty days after its adoption.

2. Notwithstanding the provisions of subdivision one of this section, a credit union may change or amend its bylaws to add a group of less than three thousand members upon receiving a notice of no objection from the superintendent. Within ten business days of receiving such proposed change or amendment, the superintendent shall either send a notice of no objection, notify the credit union that the proposed change or amendment is denied, or notify the credit union that additional review is necessary; provided, however, that if additional review is necessary, the superintendent shall notify the credit union of his or her final decision within no more than twenty-five business days of receiving such proposed change or amendment.

3. Any credit union deeming itself aggrieved by the refusal of the superintendent to give his or her approval to a proposed change or amendment may apply to any justice of the supreme court of the district wherein the credit union is located, upon notice to the superintendent, for a review of such decision. Such justice shall review the decision of the superintendent and may overrule or set aside the action of the superintendent approve such change or amendment. An approval thus obtained shall enable such credit union to make the change or amendment as approved.

**North Carolina**


(a) The articles of incorporation or the bylaws may be amended as provided in the bylaws. Amendments to the articles of incorporation or bylaws shall be submitted to the Administrator of Credit Unions who shall approve or disapprove the amendments within 60 days.

(b) Amendments shall become effective upon approval in writing by the Administrator and no fee shall be charged for such approval.

**North Dakota**

N.D. Cent. Code § 6-06-04. Amendment of certificate or bylaws –

Approval by state credit union board. The certificate of organization or bylaws of a credit union may be amended by the board of directors or the membership of the credit union as specified in the bylaws. If the bylaws provide for amendments by the board of directors, such amendments require an affirmative vote of two-thirds of the authorized number of members of the board of directors of the credit union at any duly held meeting of the board, if the members of the board have been given prior written notice of said meeting and the notice contains a copy of the proposed amendment or amendments. If the bylaws provide for amendments by the membership of the credit union, such amendments require an affirmative vote of two-thirds of the members present and voting at a duly called regular or special meeting of the membership, providing the

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members have been given prior written notice of said meeting and the notice contains a copy or summary of the proposed amendment or amendments. No amendment of the bylaws or of the certificate of organization becomes effective, until approved in writing by the state credit union board. Amendments to the certificate of organization together with a filing fee of twenty dollars must be filed with the secretary of state within thirty days after the amendments have been approved by the state credit union board.

Ohio

Note: Credit union bylaws are referred to as “regulations” or “code of regulations” in Ohio.

Ohio Rev. Code § 1733.33. Amendments to articles or regulations.
(A) The voting members may adopt amendments to the articles or regulations or amended articles or regulations in a writing as provided in section 1733.11 of the Revised Code or in a meeting of members called for that expressly stated purpose by a vote of two-thirds of the voting members represented at such meeting; or, if the articles or regulations provide or permit, by the affirmative vote of a greater or lesser proportion, but not less than a majority of the voting members represented at such meeting. The board of directors may, at any duly held meeting, adopt amendments to the field of membership article or to the regulations, by an affirmative vote of two-thirds of the number of directors authorized by the articles or regulations.

(B) The directors may adopt the following amendments to the articles:

(1) Unless otherwise provided in the articles, an amendment changing the name of the corporation;

(2) An amendment changing the place in this state where the principal office of the credit union is located;

(3) An amendment changing the authorized number of shares; the express terms, if any, of the shares; and if the shares are classified, as permitted in section 1733.24 of the Revised Code, the designation of each class, their express terms, and par value, of any, per share.

(C) In the event amendments to the articles or regulations or amended articles or regulations are adopted pursuant to section 1733.11 of the Revised Code, a copy of the proposed amendments or proposed amended articles or regulations shall be distributed to all of the voting members at or prior to the date on which solicitation begins for written approval. In the event the amendments or amended articles or regulations are adopted in a meeting of members, copies of the proposed amendments or amended articles or regulations, as the case may be, shall be distributed to voting members upon request.

(D) Amendments to the articles or regulations or the amended articles or regulations shall include only such provisions as may be included in or omitted from original articles or the
amended articles or regulations at the time the amendments or amended articles or regulations are adopted.

(E) Amended articles or regulations shall contain a statement that they supersede the existing articles or regulations, as the case may be.

(F) Any amendment or amended articles or regulations shall become effective only when it or they have been approved by the superintendent in the same manner as required for original articles or regulations under section 1733.07 of the Revised Code. Amendments to the articles or amended articles shall become effective upon the filing of the same with the secretary of state.

**Oklahoma**


A credit union shall have succession in its corporate name during its existence and shall have power:

7. To amend its bylaws in the manner provided by the bylaws, but all amendments to the bylaws must be submitted to and approved by the State Credit Union Board before they become operative;

**Oregon**

Or. Rev. Stat. § 723.022. Amendment of articles and bylaws; fee; rules.

(1) The articles of incorporation or the bylaws may be amended as provided in the bylaws. Amendments to the articles of incorporation or bylaws shall be submitted, together with a fee established by rule of the Director of the Department of Consumer and Business Services, to the director, who shall approve or disapprove the amendments within 30 days.

(2) Amendments shall become effective upon approval in writing by the director.

**Pennsylvania**


(a) General rule.—

The original bylaws of a credit union shall be adopted by the incorporators of the credit union and copies shall be transmitted to the department along with the articles of incorporation as provided in this chapter.

(b) Board-initiated bylaw amendments.—

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(1) Bylaws may be amended or repealed by the affirmative vote of a majority of directors at any regular or special meeting of the board. Whenever the board of directors amends the bylaws, written notice thereof shall be given to the members prior to the next meeting of the members or within 90 days after such action by the board of directors, whichever is sooner.
(2) Any amendment to or repeal of the bylaws adopted by the board of directors may be repealed or amended by a two thirds vote of the responding members. The member-initiated repeal or amendment of a bylaw passed by the board of directors may be conducted at an annual or special member meeting or conducted by mail ballot if the bylaws allow such a procedure. The vote must be held at least ten days after the mailing of the notice in paragraph (1).
(3) Notwithstanding paragraph (2), the members of a credit union may amend the bylaws pursuant to procedures set forth in subsections (d), (d.1) and (d.2), whichever subsection is appropriate.

(c) Restrictions on board of directors.—
The board of directors shall not amend any bylaws fixing their qualifications, classification, term of office or compensation.

(d) Member-initiated bylaw amendment or repeal for credit unions with more than 10,000 members.—
(1) Bylaws of a credit union with more than 10,000 members may be amended or repealed upon member-initiated petition and the affirmative vote of two-thirds of the members voting thereon by mail ballot.
(2) Written petition signed by 1% of all the members of a credit union with more than 10,000 members shall be the exclusive method by which such members may amend or repeal the bylaws.
(3) Whenever the board of directors receives a member-initiated petition to amend or repeal the bylaws, written notice thereof shall be given to all members of the credit union within 90 days, and a mail ballot vote of the matter shall be held during a period of at least ten days after the mailing of the notice and ballot.

(d.1) Procedure.—
(1) To initiate the procedure to amend or repeal the bylaws set forth in subsection (d), a member of a credit union must obtain the petition form from the department. The department shall date the petition form and file a copy of the form.
(2) Upon the request of a member, the credit union shall provide the member with a list of all groups and their business addresses that are included as members of the credit union.
(3) The member seeking to amend or repeal the bylaws shall have 180 days from the receipt of the petition form from the department to circulate the petition and obtain the requisite number of signatures from members of the credit union. The petition shall be in a form provided by and approved by the department and shall clearly identify the bylaw to be amended or repealed and include the language of the proposed bylaw.
(4) On or before 180 days from the date the petition form was obtained from the department, the member seeking to amend or repeal the bylaws must file the petition with the department. The department shall indicate the date of filing on the petition and file the petition in the records of the credit union.

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the department. The department shall send a copy of the petition to the secretary of the credit union.

(5) The secretary of the credit union shall verify that the signatures on the petition are the signatures of members of the credit union and that the petition contains the requisite number of signatures.

(6) The ballot may not be mailed if the credit union determines that any of the following conditions have not been met:

(i) the petition does not contain the requisite number of signatures of members of the credit union; or

(ii) for any other specified reason.

If the credit union determines that the ballot will not be mailed, then the secretary of the credit union shall notify in writing the member who initiated the petition drive within ten days of receipt of the petition by the credit union. The notification shall inform the member that the ballot will not be mailed and the reason. It shall also inform the member of right to appeal to the department.

(7) Any member seeking to contest a determination by the credit union not to mail the notice and ballot provided for in subsection (d) may file a complaint with the department within 30 days of receiving written notice from the secretary of the credit union's decision not to mail such notice and ballot, and the department shall adjudicate the matter.

(8) The department may provide any person or governmental entity with a copy of the petition form as well as any complaints filed with the department and other documents related to the ballot procedure.

(9) If the credit union mails the notice and ballot provided for in subsection (d) or is ordered to do so by the department, then the credit union shall send an official notice to all members of the credit union, prepare and mail the ballots, arrange for tallying of the votes and report the results to all members in accordance with subsection (d).

(10) The credit union shall bear the reasonable expenses associated with:

(i) Verifying that the signatures on the petition are the signatures of members of the credit union and that the petition contains the requisite number of signatures.

(ii) Notifying the members.

(iii) Preparing and mailing the ballots.

(iv) Tallying the vote and reporting the results.

(d.2) Member-initiated amendment or repeal of bylaws for credit unions with 10,000 or fewer members.—

A credit union with 10,000 or fewer members may amend or repeal the bylaws, in accordance with existing bylaws of the credit union, as follows:

(1) by following the procedure outlined in subsections (d) and (d.1); or

(2) by a two-thirds vote of the members present and voting at a regular, special or annual meeting of the credit union. If the vote is taken at a special meeting:

(i) Subsequent to the vote, if a majority of the board of directors vote to resubmit the amendment or repeal by mail ballot to all of the members, it shall be resubmitted.

(ii) If the bylaws provide for a mail ballot procedure, then it will require two-thirds of the responding member ballots to sustain the original vote.

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(e) Appeal procedure.—
In the event that a bylaw amendment approved by the board of directors is rejected or changed by the members at an annual or special meeting, the board of directors may resubmit the original amendment to a vote of the entire membership through mail ballot procedures. The board of directors may take such action if the resubmittal motion is approved by a vote of at least a majority of the board of directors.

**Rhode Island**


(b) No credit union seeking formation shall operate until the time the director or the director's designee has approved the by-laws. Amendments to the by-laws shall not be operative until approved by the director or the director's designee. Any credit union aggrieved by the decision of the director or the director's designee shall have the right to appeal pursuant to chapter 35 of title 42.

(4) To make recommendations to members relative to the maximum number of shares that may be held by any one member, amendments to the by-laws, and any other matters which, in their opinion, the members should decide;

**South Carolina**


(1) The articles of incorporation and the bylaws may be amended as provided in the articles and bylaws, respectively. Amendments to the bylaws shall be submitted to the commissioner for approval.

(2) Amendments shall become effective upon approval in writing by the commissioner.

**South Dakota** – No State Act

**Tennessee**


(b) Upon adoption of any amendments to its bylaws, the credit union shall submit duplicate copies to the commissioner. No amendment of the bylaws of the credit union shall become effective until approved in writing by the commissioner.

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Texas

Tex. Finance Code § 122.011. AMENDMENT OF ARTICLES OF INCORPORATION OR BYLAWS.
(a) The board may amend the articles of incorporation or bylaws by a two-thirds vote of the directors present at a meeting at which a quorum is present. The board shall submit amendments to the commissioner.
(b) Unless the amendment is a standard bylaw adopted by the commission, the commissioner in writing shall approve or disapprove an amendment.
(c) In approving an amendment, the commissioner shall make the findings and may take the actions provided by Sections 122.006(a) and (b). The commissioner may not approve an amendment if the commissioner finds that it violates this subtitle or rules adopted under this subtitle. The commissioner shall state with reasonable specificity the reasons for disapproval. An amendment takes effect on the commissioner's approval.
(d) The board shall report an amendment to the credit union's membership not later than the next membership meeting after the commissioner approves the amendment.
(e) The commission shall adopt rules for an appeal of the commissioner's decision on an amendment. The commissioner's order approving or disapproving an amendment may be appealed to the commission not later than the 60th day after the date of the order.

Utah

Utah Code § 7-9-11. Bylaws and amendments to be approved.
   (1) A credit union may not receive payments on shares, deposits, or certificates, or make any loans or other transactions, until its bylaws have been approved in writing by the commissioner.
   (2) An amendment to a credit union's bylaws does not become operative until the amendment to the bylaws is approved by the commissioner.
   (3) (a) If the amendment to the bylaws of a credit union expands the field of membership of a credit union as described in Subsection 7-9-52(1), the commissioner's approval of the amendment is subject to Section 7-9-52.
      (b) If the bylaws or an amendment to the bylaws of a credit union adds an association to the field of membership of the credit union, the commissioner may require that the credit union provide written confirmation from the association that the association has agreed to be served by the credit union.

Vermont

(a) The organizers applying for the organization of a credit union shall adopt bylaws that prescribe the manner in which the business of the credit union shall be conducted. The bylaws shall include at least the following:

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(1) the name of the credit union, which name shall comply with the requirements of section 31202 of this title;

(2) the field of membership of the credit union and the qualifications for membership;

(3) the par value of shares;

(4) the number of directors, supervisory committee members, and advisory directors, if applicable, the length of terms they serve, and the permissible term length of any interim director or supervisory committee member and procedures for election or appointment;

(5) any qualification for eligibility to serve on the credit union's governing body or supervisory committee;

(6) the frequency of regular meetings of the board and the supervisory committee, and the manner in which members of the board and supervisory committee are to be notified of meetings;

(7) the powers and duties of board officers;

(8) the manner in which a credit committee, credit manager, loan officer, or any combination thereof shall be responsible for the credit functions of the credit union;

(9) the timing and manner of conducting the annual membership meeting and the provisions for voting;

(10) the manner in which members may call a special membership meeting;

(11) the manner in which members are to be notified of membership meetings;

(12) the number of members constituting a quorum at a membership meeting;

(13) conditions for payment on, receipt of, or withdrawal of shares and deposits;

(14) provisions, if any, for the indemnification of directors, supervisory committee members, officers, employees, and others by the credit union, if not included in the articles of incorporation; and

(15) any other provision which is not inconsistent with this chapter and such other matters as the governing board deems necessary.

(b) The bylaws may be amended as provided in the bylaws. Written notice of the meeting and text of the proposed amendment, or a summary of the proposed amendment with a notice that a copy of the proposed amendment is available upon request, shall be hand-delivered or mailed to

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(c) The credit union shall file with the commissioner, within ten days after its adoption, one copy of any proposed amendment. Any amendment to the bylaws of a credit union shall become effective only upon the written approval of the commissioner.

**Virginia**

12. The manner in which bylaws may be amended.

§ 6.2-1323. Amendments to articles of incorporation and bylaws.
The articles of incorporation or the bylaws of a credit union may be amended as provided in the articles and bylaws, as the case may be, subject to §§ 13.1-886, 13.1-892, and 13.1-893. Amendments to the articles of incorporation shall be accomplished as provided in §§ 13.1-888 and 13.1-889. Proposed amendments to bylaws shall be submitted to the Commissioner, who shall approve or disapprove proposed amendments within 30 days. A bylaw amendment shall be effective upon its approval by the Commissioner. No amendment to the articles of incorporation or bylaws that would expand the field of membership of a credit union shall be effective until such amendment has been approved by the Commissioner. When any such change in bylaws or articles of incorporation is proposed, the Commissioner may extend the period for approval as he may deem necessary for as much as an additional 30 days.

**Washington**


(1) A credit union’s field of membership bylaws may be amended by the board with approval of the director. Complete applications to amend a credit union’s field of membership bylaws must be approved or denied by the director within sixty days of receipt.

(2) A credit union’s other bylaws may be amended by the board.

(3) Any amendments to a credit union’s bylaws must conform with RCW 31.12.065.
West Virginia


(b) The articles of incorporation and the bylaws may be amended as provided in the articles and bylaws, respectively. Amendments to the articles of incorporation or bylaws shall be submitted to the commissioner who shall approve or disapprove the proposed amendments within sixty days.

(c) Amendments shall become effective upon approval in writing by the commissioner. If the commissioner disapproves any proposed amendment, the credit union may appeal the decision to the board within thirty days.

Wisconsin

Wis. Stat. § 186.02. Incorporation, bylaws, amendment, fees.

(2) BYLAWS. (a) The bylaws shall prescribe all of the following:
11. The procedures for amending the bylaws.

(4) AMENDMENTS. (a) Amendments to the articles of incorporation adopted by a vote of two-thirds of the members of the credit union present at an annual meeting or a special meeting called for that purpose may be filed with the office of credit unions upon payment of a $50 fee. If approved by the office of credit unions, amendments to the articles are effective on recording in the office of the register of deeds in the same manner as the original articles.
(b) All amendments to the bylaws shall be filed with the office of credit unions and shall be accompanied by the payment of a $50 fee. Amendments to the bylaws shall take effect only after being approved by the office.
(c) A credit union is not required to obtain the prior approval of its membership to move the credit union’s principal office within a 20-mile radius of its present location, including to another county.

Wyoming - No State Act