

OMB Number: 3133-0141.

Form Number: N/A.

Type of Review: Reinstatement, without change, of a previously approved collection for which approval has expired.

Title: 12 CFR part 701.22 Organization and Operation of Credit Unions.

Description: NCUA has authorized federal credit unions to engage in loan participations, provided they establish written policies and enter into a written loan participation agreement. NCUA believes written policies are necessary to ensure a plan is fully considered before being adopted by the Board.

Respondents: All Federal Credit Unions.

Estimated No. of Respondents/Record keepers: 1,000.

Estimated Burden Hours Per

Response: 4 hours.

Frequency of Response: On occasion.

Estimated Total Annual Burden

Hours: 4,000.

Estimated Total Annual Cost: \$100,000.

By the National Credit Union Administration Board on December 19, 2002.

Becky Baker,

Secretary of the Board.

[FR Doc. 02-32782 Filed 12-26-02; 8:45 am]

BILLING CODE 7535-01-M

NATIONAL CREDIT UNION ADMINISTRATION

Community Development Revolving Loan Program for Credit Unions

AGENCY: National Credit Union Administration.

ACTION: Notice of application period.

SUMMARY: The National Credit Union Administration (NCUA) will accept applications for participation in the Community Development Revolving Loan Fund's Loan Program throughout calendar year 2003, subject to availability of funds. Application procedures for qualified low-income credit unions are in NCUA Rules and Regulations.

ADDRESS: Applications for participation may be obtained from and should be submitted to: NCUA, Office of Credit Union Development, 1775 Duke Street, Alexandria, VA 22314-3428.

DATES: Applications may be submitted throughout calendar year 2003.

FOR FURTHER INFORMATION CONTACT: The Office of Credit Union Development at the above address or telephone (703) 518-6610.

SUPPLEMENTARY INFORMATION: Part 705 of the NCUA Rules and Regulations

implements the Community Development Revolving Loan Program for Credit Unions. The purpose of the Program is to assist officially designated "low-income" credit unions in providing basic financial services to residents in their communities that result in increased income, ownership, and employment. The Program makes available low interest loans in amounts up to \$300,000 in the aggregate to qualified participating "low-income" credit unions. Program participation is limited to existing credit unions with an official "low-income" designation. Student credit unions are not eligible to participate in this Program.

This notice is published pursuant to section 705.9 of the NCUA Rules and Regulations that states NCUA will provide notice in the **Federal Register** when funds in the Program are available.

By the National Credit Union Administration Board on December 19, 2002.

Becky Baker,

Secretary, National Credit Union Administration Board.

[FR Doc. 02-32781 Filed 12-26-02; 8:45 am]

BILLING CODE 7535-01-P

NATIONAL CREDIT UNION ADMINISTRATION

Corporate Federal Credit Union Bylaws

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice and request for comment.

SUMMARY: The proposed changes update the corporate federal credit union (FCU) bylaws. This action is necessary because several of the bylaws had become outdated or obsolete. The proposal is intended to modernize and clarify the corporate FCU bylaws.

DATES: Comments must be received by February 25, 2003.

ADDRESSES: Comments should be directed to Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428. You may Fax comments to (703) 518-6319 or E-mail comments to boardmail@ncua.gov. Please send comments by one method only.

FOR FURTHER INFORMATION CONTACT: Kent D. Buckham, Director, Office of Corporate Credit Unions (OCCU), National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428 or telephone: (703) 518-6640.

SUPPLEMENTARY INFORMATION:

Background

Section 108 of the Federal Credit Union Act (the Act) requires the NCUA Board to prepare bylaws to be used by all federal credit unions (FCUs). 12 U.S.C. 1758. The Garn-St Germain Depository Institutions Act of 1982 authorized the NCUA Board to differentiate the activities of corporate credit unions from natural person credit unions through rules, regulations, and orders of the NCUA Board. In recognition of the unique mission and operating needs of corporate FCUs, the NCUA Board, in coordination with the corporate credit union community, developed and adopted a set of standard Corporate Federal Credit Union Bylaws (bylaws) in March of 1983. Some revisions to specific bylaw articles related to Meetings of Members and Elections were published in the **Federal Register** in November 1994 amending the bylaws that were published in 1983. In the past 20 years significant regulatory, economic and institutional changes have taken place. The proposed revisions to the bylaws reflect the current legal and financial environment within which corporate credit unions operate.

Proposed Corporate FCU Bylaws

The proposed bylaws have been revised so that they are more user friendly for corporate FCUs. Every effort was made to draft the proposed bylaws in plain English. Provisions in the existing bylaws that are outdated are deleted. Those provisions that are operational or addressed in law or regulations are deleted, unless it was determined that because of their importance they should also be included in the bylaws. In addition, revisions are proposed to modernize the bylaws, recognizing technological advances utilized by corporate credit unions. A table of contents will be provided with the final version of the bylaws.

Corporate FCUs will be strongly encouraged to adopt the revised bylaws when they are finalized, but are not required to do so and may continue to use their previously approved bylaws. The Board, in an effort to achieve maximum participation by corporate FCUs, will allow them to adopt portions of the revised bylaws, if a corporate FCU finds that adoption of the entire revised bylaws is impracticable. The Board cautions corporate FCUs adopting only a portion of the revised bylaws to use extreme care because they run the risk of having inconsistent or conflicting bylaw provisions. In addition, although the Act requires corporate FCUs to use

the bylaws published by NCUA, corporate FCUs will continue to have the flexibility to request a nonstandard bylaw amendment if the need arises. 12 U.S.C. 1758. A corporate FCU must obtain approval from the Director of OCCU to adopt a non-standard bylaw.

Article by Article Analysis

The following articles and sections have no substantive changes. There may be some minor editing or technical corrections:

Article I (renumbered Article II), Sections 1 and 2;

Article II (renumbered Article III), Section 1 and 2;

Article III (renumbered Article IV) Section 4 (renumbered Section 2) and Section 5 (renumbered Section 3);

Article IV (renumbered Article V) Section 1;

Article VI (renumbered Article VII) Section 1, 2, 3, 5, 6, 8, 9, and 10;

Article VII (renumbered Article VIII) Section 1, 2, 3, 4, 5, 6, 7, 8, 9 and addendum;

Article VIII (renumbered Article IX) Section 1, 3, 4, 5, 6, 7 and addendum;

Article IX (renumbered Article X) Section 1, 2, 3, 4, 5 and 6;

Article XV (renumbered Article XI) Section 3; and

Article XVII (renumbered Article XIII) Section 1.

The following articles and sections have substantive changes:

Article II Renumbered Article III, Membership

In *Section 3*, the consideration that the account of a member who has subscribed to a share and is current on the installment payments will not be terminated under the provisions of this section has been removed. It was eliminated due to the inapplicability to current corporate operations.

Section 4 has been deleted because it required members to be terminated that were no longer within the field of membership on the day the bylaw was effective. The section has been amended to allow a member to remain a member until the person or entity withdraws or is expelled. It also permits a corporate FCU to restrict services to a member no longer in the field of membership and addresses the termination of membership in the case of a member converting to another form of financial institution.

The portion of *Section 5* following the first sentence has been deleted. It has been eliminated because it addressed operational procedures regarding the expulsion or withdrawal of a member of the corporate FCU.

Article III—Renumbered Article IV, Shares of Members

Section 1 addresses the par value of a share. It eliminates the alternative of paying for the share in installments and requires the payment of the share to be made at the time of subscription. This change reflects current corporate FCU procedure.

Section 2 (Maximum Shares), *Section 3* (Receipt of Transactions), *Section 6* (Trust Accounts), and *Section 7* (Notice of Withdrawal) were deleted. These sections were operational in nature or antiquated.

Article IV—Renumbered Article V, Meetings of Members

Section 2 addresses notice of meetings. This section was revised in November 1994 when amendments were adopted for both Part 704 and the bylaws as published in the **Federal Register**. The following proposed revisions address changes to the November 1994 version of this section. The words “must give” have replaced “mailed” in regard to meeting notification. It broadens the manner in which notification can be accomplished to allow electronic delivery. This section was also revised to address meeting notification for members who have consented to the electronic delivery of documents.

Section 3 was amended to allow a special meeting request by 5 percent of the members instead of at least 25 members or 5 percent of the members. This relaxed the threshold for smaller corporate FCUs to request a special meeting.

Section 4 was amended by inserting the lesser of 15 members or 20 percent of the membership instead of 15 members being required for a quorum.

Article V—Renumbered Article VI, Elections

Sections 1 and 2 of this Article were revised and *Sections 4 and 5* were added in November 1994 when amendments were adopted for both Part 704 and the bylaws as published in the **Federal Register**. The following proposed revisions address changes to the November 1994 version of this section.

In *Section 1*, references to candidate have been changed to member. The wording “Notice may be accomplished as prescribed in Article V, Section 2.” was inserted referring to members consenting to the electronic delivery of documents. The regulatory reference was updated, changed from 704.12(a) to 704.14(a), to reflect the appropriate section of Part 704.

Section 2 regarding the election process was deleted. It has been replaced by *Section 2* of option A4 from Article V of the Federal Credit Union Bylaws revised October 1999. This option allows election by electronic device, including but not limited to telephone and electronic mail. In addition, the following amendments were added to the section: A sentence stating that all elections are determined by plurality vote; in subsection (c)(1), the requirement that a brief statement of qualifications and biographical data be provided for each candidate and the order of the candidates' names be printed on the notice of balloting as determined by the drawing of lots; and in subsections (c)(5) and (d)(8), the phrase “by the secretary” has been added as the person responsible for verifying the vote at the annual meeting.

Section 3 regarding proxy voting was deleted. It has been replaced by Article V, Section 3 of option A4 from the Federal Credit Union Bylaws revised October 1999 pertaining to nominations.

Section 4 regarding mail balloting was deleted. It has been replaced by Article V, Section 4 of option A4 from the Federal Credit Union Bylaws revised October 1999 pertaining to proxy voting. Added to this section was the limitation that a voting representative may serve as a voting representative of only one member and a member has only one vote.

A *Section 5* has been added requiring notification to NCUA of the names and addresses of various officials and committee members.

Article VI (Renumbered Article VII), Board of Directors

In *Section 4*, the following terms have been replaced: “conference-telephone-call meetings” with meetings “using audio or video teleconference methods,” “executive officer” with “chair,” “ranking assistant executive officer” with “ranking vice chair” and “conferee” with “participant”. This section now allows teleconference methods for conducting special meetings. The requirement of in person meetings has been relaxed from one per quarter to one per year.

In *Section 7*, Asset/Liability Management Committee (ALCO) member replaces investment committee member. The section previously allowed the board to designate another member of the corporate credit union to act temporarily in the place of a board member, membership officer, executive committee or investment committee member who is absent, disqualified, or unable to perform the duties of their office. This section has been revised to

include credit committee members as also eligible for temporary replacement by a designee of the board. In addition, the board may designate a member or members of the corporate to act on all committees mentioned in this section, when necessary, to attain a quorum. This was broadened from just the credit committee.

Article VII (Renumbered Article VIII), Board Officers, Executive Committee, Asset/Liability Management Committee (ALCO), and Management Staff

In *Section 10*, the ALCO replaces the investment committee. This section now requires the appointment of an ALCO of at least three. The previous section allowed the board's discretion in appointing an investment committee of at least two. This section is amended to reflect the inclusion of at least one board member on the ALCO, providing consistency with regulatory requirements.

In *Section 11*, the ALCO replaces the investment committee.

Article VIII (Renumbered Article IX), Credit Committee

Section 2 has been revised to include qualified corporate credit union staff as eligible for selection to the credit committee.

Article X, Loan and Lines of Credit; Article XI, Reserves; Article XII, Dividends; and Article XIII, Deposit and Disbursement of Funds—Investments and Borrowing

These Articles have been deleted. They addressed operational procedures, more appropriately covered by internal corporate FCU guidance.

Article XIV (Renumbered Article I), Definitions

The definitions for the terms "paid-in and unimpaired capital", and "surplus" were deleted. Such terms are operational in nature. The term "board" was added and defined.

Article XV (Renumbered Article XI), General

In *Section 1*, the confidentiality of members' transactions was previously qualified "except to the extent deemed necessary by the board." It has been changed to "except when permitted by state or federal law."

Section 2 has been revised to state that the ALCO members as well as any member of the credit committee or the supervisory committee that has been disqualified must withdraw from deliberation or determination of a committee matter.

Article XVI (Renumbered Article XII), Operations Following an Attack on the United States (Title amended to: Operations Following an Attack on the United States or Catastrophic Occurrence Otherwise Rendering the Corporate Credit Union Inoperable)

Section 1 has been revised to include "or other catastrophic occurrence causing a contingency situation."

Section 2 has been revised to include "catastrophic occurrence" and a "contingency situation."

Section 3 was added to this article. It requires maintaining and periodically testing an organization-wide contingency plan that addresses all reasonable emergency and disaster scenarios.

Request for Comment

The Board is interested in receiving comments on the proposed format of the FCU Bylaws, as well as any substantive issues those commenting wish to see addressed in the final bylaws.

By the National Credit Union Administration Board on December 19, 2002.

Becky Baker,

Secretary of the Board.

Bylaws

Federal Credit Union, Charter No. _____

(A Corporation Chartered Under the Laws of the United States)

Article I. Definitions

Section 1. When used in these bylaws the terms:

(a) "Act" means the Federal Credit Union Act, as amended.

(b) "Administration" means the National Credit Union Administration.

(c) "Regulation" or "regulations" means rules and regulations issued by the National Credit Union Administration.

(d) "Share" or "shares" means any amount deposited for the credit of a member or other account holder and includes, but is not limited to, share accounts, share certificate accounts, share draft accounts, and nonmember accounts (however denominated) permitted by law.

(e) "Board" means board of directors of this corporate credit union.

Section 2. If included in the definition of the field of membership in the organization certificate (charter) of this corporate credit union, the term or expression "organizations of such members" means an organization or organizations composed of entities that are within the field of membership of this corporate credit union.

Article II. Name—Purposes

Section 1. The name of this corporate credit union is as stated in Section 5 of the charter (approved organization certificate) of this corporate credit union.

Section 2. The purpose of this corporate credit union is to foster and promote the economic well-being, growth and development of its members through effective funds management, interlending, investment services and such other activities and services that may be beneficial to its members and are authorized by Act and regulations.

Article III. Membership

Section 1. The field of membership of this corporate credit union is limited to that stated in Section 5 of its charter.

Section 2. Applications for membership eligibility under Section 5 of the charter must be signed by the applicant on forms approved by the board. Upon approval of the application and upon subscription to a share with par value as established by the board in Article IV and the payment of a uniform entrance fee, if required by the board, the applicant is admitted to membership. Application must be approved by a majority of the directors, a majority of the members of a duly authorized executive committee, or by a membership officer. If a membership application is denied, the reasons must be furnished in writing to the applicant upon written request.

Section 3. Membership of any member whose account contains less than the minimum required in Article IV, Section 1 may be terminated in accordance with procedures established by the board of directors.

Section 4. Once a person or entity becomes a member that person or entity may remain a member until the person or organization chooses to withdraw or is expelled in accordance with the Act. A corporate credit union that wishes to restrict services to members no longer within the field of membership should specify the restrictions in this section. In the case of a member credit union that converts to another form of financial institution outside the field of membership, membership ceases at a mutually agreeable time not to exceed six months from the conversion date.

Section 5. A member may be expelled only in the manner provided by the Act.

Article IV. Shares of Members

Section 1. The par value of each share will be _____ (as determined by the board) and payable at the time of the subscription.

Section 2. Shares of a member may be transferred among the member's

accounts or to another member in such manner as the board may prescribe.

Section 3. Unless otherwise provided by the board, shares may be withdrawn on any day when payment on shares may be made; provided that no member may withdraw shareholdings that are pledged as required security on loans without the written approval of the credit committee or a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the corporate credit union.

Article V. Meetings of Members

Section 1. The annual meeting of the members must be held at such time and place as the board will determine and announce in the notice prescribed in section 2 of this Article.

Section 2. At least 75 days before the date of any annual meeting or 10 days before the date of any special meeting of the members, the secretary must give written notice to each member appearing on the records of this corporate credit union. Such notice must state the date, time, and location of the meeting and such other information as the board of directors determine consistent with these bylaws. Any meeting of the members, whether annual or special, may be held without prior notice, at any place or time, if all the members entitled to vote, who are not present at the meeting, waive notice in writing, before, during, or after the meeting. The notice for the annual meeting will advise the members of the deadlines for elections.

In the case of members who have previously consented to the electronic delivery of documents, said notice may be sent by electronic mail to the e-mail address that appears on the records of the corporate credit union.

Section 3. Special meetings of the members may be called by the executive officer or the supervisory committee as provided in these bylaws, or by applicable law or regulation, and may be held at any place permitted for the annual meeting. A special meeting must be called by the executive officer within 45 days of receipt of a request of 5 percent of the members as of the day of request; provided that a request of no more than 100 members is required. Notice must be given as provided in section 2 of this article and must state the purpose for which it is to be held. No business other than that related to this purpose may be transacted at the meeting.

Section 4. The lesser of 15 members or 20 percent of the membership constitutes a quorum at any annual or special meeting. If a quorum is not

present on the date first designated for the meeting, an adjournment may be taken to a date not fewer than 7 days or more than 30 days thereafter, and a second notice will be given to all members setting forth the date, time, and place of the adjourned meeting. The members then present constitute a quorum, regardless of the number of members present.

Article VI. Elections

Section 1. At least 120 days before each annual meeting, the board of directors will appoint a nominating committee of not fewer than three members. It is the duty of the nominating committee to nominate at least one member for each vacancy, including any unexpired term vacancy, for which elections are being held, and to determine that the members nominated are agreeable to the placing of their names in nomination and will accept office if elected. The nominating committee files its nominations with the secretary of the corporate credit union at least 90 days prior to the annual meeting, and the secretary notifies in writing all members eligible to vote at least 75 days prior to the annual meeting that nominations for vacancies may also be made by petition signed by 5 percent of the members with a minimum of 5 and a maximum of 100.

Notice may be accomplished as prescribed in Article V, Section 2.

The written notice must indicate that the election will not be conducted by ballot and there will be no nominations from the floor when there is only one nominee for each position to be filled. A brief statement of qualifications and biographical data in a form approved by the board of directors will be included for each nominee submitted by the nominating committee with the written notice to all eligible members. Each nominee by petition must submit a similar statement of qualifications and biographical data with the petition. The written notice must state the closing date for receiving nominations by petition. In all cases, the period for receiving nominations by petition must extend at least 30 days from the date of the petition requirement and the list of nominating committee's nominees are mailed to all members. To be effective, such nominations must be accompanied by a signed certificate from the nominee or nominees stating that they are agreeable to nomination and will serve if elected to office. Such nominations must be filed with the secretary of the corporate credit union at least 40 days prior to the annual meeting.

In carrying out their responsibilities, the nominating committee and board of

directors must ensure that the requirements of § 704.14 (a) of the regulations are satisfied.

Section 2. All elections are determined by plurality vote. All elections will be by electronic device or mail ballot, subject to the following conditions:

(a) The election tellers will be appointed by the board of directors;

(b) If sufficient nominations are made by the nominating committee or by petition to provide more than one nominee for any position to be filled, the secretary, at least 30 days prior to the annual meeting, will cause either a printed ballot or notice of ballot to be mailed to all members eligible to vote;

(c) If the corporate credit union is conducting its elections electronically, the secretary will cause the following materials to be mailed to each eligible voter and the following procedures will be followed:

(1) One notice of balloting stating the names of the candidates for the board of directors and the candidates for other separately identified offices or committees are printed in order as determined by the draw of lots. The name of each candidate must be followed by a brief statement of qualifications and biographical data in a form approved by the board of directors.

(2) One instruction sheet stating specific instructions for the electronic election procedure, including how to access and use the system, and the period of time in which votes will be taken. The instruction will state that members without the requisite electronic device necessary to vote on the system may vote by mail ballot upon written or telephone request and specify the date the request must be received by the corporate credit union.

(3) It is the duty of the tellers of election to verify, or cause to be verified the name of the voter and the corporate credit union account number as they are registered in the electronic balloting system. It is the duty of the teller to test the integrity of the balloting system at regular intervals during the election period.

(4) Ballots must be received no later than midnight 5 calendar days prior to the annual meeting.

(5) Voting will be closed at the midnight deadline specified in subsection (4) hereof and the vote will be tallied by the tellers. The result must be verified at the annual meeting by the secretary and the chair will make the result of the vote public at the annual meeting.

(6) In the event of malfunction of the electronic balloting system, the board of directors may in its discretion order

elections be held by mail ballot only. Such mail ballots must conform to section 2(d) of this Article and must be mailed to all eligible members 30 days prior to the annual meeting. The board may make reasonable adjustments to the voting time frames above, or postpone the annual meeting when necessary, to complete the elections prior to the annual meeting.

(d) If the corporate credit union is conducting its election by mail ballot, the secretary will cause the following materials to be mailed to each member and the following procedures will be followed:

(1) One ballot, clearly identified as such, on which the names of the candidates for the board of directors and the candidates for other separately identified offices or committees are printed in order as determined by the draw of lots. The name of each candidate will be followed by a brief statement of qualifications and biographical data in a form approved by the board of directors.

(2) One ballot envelope clearly marked with instructions that the completed ballot must be placed in that envelope and sealed.

(3) One identification form to be completed so as to include the name, address, signature and corporate credit union account number of the voter.

(4) One mailing envelope in which the voter, pursuant to instructions provided with the mailing envelope, must insert the sealed ballot envelope and the identification form, and which must have postage prepaid and be preaddressed for return to the tellers.

(5) When properly designed, one form can be printed that represents a combined ballot and identification form, and postage prepaid and preaddressed return envelope.

(6) It is the duty of the tellers to verify, or cause to be verified, the name and corporate credit union account number of the voter as appearing on the identification form; to place the verified identification form and the sealed ballot envelope in a place of safekeeping pending the count of the vote; in the case of a questionable or challenged identification form, to retain the identification form and sealed ballot envelope together until the verification or challenge has been resolved.

(7) Ballots mailed to the tellers must be received by the tellers no later than midnight 5 days prior to the date of the annual meeting.

(8) Voting will be closed at the midnight deadline specified in subsection (7) hereof and the vote will be tallied by the tellers. The result will be verified at the annual meeting by the

secretary and the chair will make the result of the vote public at the annual meeting.

Section 3. Nominations may be in the following order:

(a) Nominations for directors;

(b) Nominations for credit committee members, if applicable; elections may be by separate ballots following the same order as the above nominations or, if preferred, may be by one ballot for all offices.

Section 4. Members cannot vote by proxy, but a member other than a natural person may vote through an agent designated in writing for the purpose. A trustee, or other person acting in a representative capacity, is not, as such, entitled to vote. No voting representative may serve as a voting representative of more than one member. Irrespective of the number of shares, no member has more than one vote.

Section 5. The names and addresses of members of the board, board officers, executive committee, and members of the credit committee, if applicable, and supervisory committees must be forwarded to NCUA in accordance with the Act and regulations in the manner as may be required by NCUA.

Article VII. Board of Directors

Section 1. The board consists of _____ members elected from among the members and/or designated representatives of members. The number of directors may be changed to an odd number not fewer than five by resolution of the board. No reduction in the number of directors may be made unless corresponding vacancies exist as a result of deaths, resignations, expiration of terms of office, or other actions provided by these bylaws. A copy of the resolution of the board covering any increase or decrease in the number of directors must be filed with the official copy of the bylaws of this corporate credit union.

Section 2. Regular terms of office for directors must be periods of either 1, 2 or 3 years as the board determines; provided that all regular terms must be for the same number of years and until the election and qualification of successors. The regular terms must be fixed at the beginning, or upon any increase or decrease in the number of directors, so that approximately an equal number of regular terms must expire at each annual meeting.

Section 3. Any vacancy on the board, credit committee, or supervisory committee will be filled by vote of a majority of the directors then holding office. Directors and credit committee members so appointed will hold office

only until the next annual meeting, at which any unexpired terms will be filled by vote of the members, and until the qualification of their successors. Members of the supervisory committee so appointed will hold office until the first regular meeting of the board following the next annual meeting of members at which the regular term expires and until the appointment and qualification of their successors.

Section 4. A regular meeting of the board must be held each month at the time and place fixed by resolution of the board. One regular meeting each calendar year must be conducted in person. If a quorum is present in person for the annual in person meeting, the remaining board members may participate using audio or video teleconference methods. The other regular meetings may be conducted using audio or video teleconference methods. At least 7 days prior to each meeting, the secretary will cause the following information to be distributed to each director:

(a) Minutes of the last meeting;

(b) Reports of officers, standing committees, or of any special committee;

(c) Special orders, or matters which have been assigned priority; and

(d) Any written information on unfinished business or new business that has been given to the secretary by any director.

Each participant of a teleconference meeting at the next regularly convened meeting of the board at which the participant is present must sign minutes of audio or video teleconference meetings.

The chair, or in the chair's absence the ranking vice chair, may call a special meeting of the board at any time and must do so upon written request of a majority of the directors then holding office. Unless the board prescribes otherwise, the chair, or in the chair's absence the ranking vice chair, will fix the time and place of special meetings. Notice of all meetings will be given in such manner as the board may from time to time by resolution prescribe. Special meetings may be conducted using audio or video teleconference methods.

Section 5. The board has the general direction and control of the affairs of this corporate credit union and is responsible for establishing programs to achieve the purposes of this corporate credit union as stated in Article II, section 2, of these bylaws. While the board may, as authorized herein, delegate the performance of administrative duties, the board is not

relieved from its responsibility for their performance.

Section 6. A majority of the number of directors constitutes a quorum for the transaction of business at any meeting thereof, but fewer than a quorum may adjourn from time to time until a quorum is in attendance.

Section 7. If a director or credit committee member fails to attend three consecutive regular meetings of the board or credit committee; respectively, or otherwise fails to perform any of the duties devolving upon him/her as a director or credit committee member, his/her office may be declared vacant by the board and the vacancy filled as herein provided. The board may remove any board officer from office for failure to perform the duties thereof, after giving the officer reasonable notice and opportunity to be heard.

When any board officer, membership officer, executive committee member, or Asset/Liability Management Committee (ALCO) member, or credit committee member is absent, disqualified, or otherwise unable to perform the duties of his/her office, the board may, by resolution, designate another member of this corporate credit union to act temporarily in his/her place. The board may also, by resolution, designate another member or members of this corporate credit union to act on said committees, when necessary, in order to attain a quorum.

Section 8. Any member of the supervisory committee may be suspended by a majority vote of the board of directors. The members of this corporate credit union will decide, at a special meeting held not fewer than 7 nor more than 14 days after any such suspension, whether the suspended committee member will be removed from or restored to the supervisory committee.

Section 9. No member of the board of directors may receive any compensation or benefit solely as a result or by virtue of service as a member of the board of directors except for reimbursement for reasonable expenses incurred in the performance of official duties and as provided for in Article VIII of these bylaws.

Section 10. The board of directors will determine that monthly financial statements are prepared showing the condition of this corporate credit union. These financial statements will be readily available to members on a monthly basis in a manner deemed appropriate by the board.

Article VIII. Board Officers, Executive Committee, Asset/Liability Management Committee (ALCO), and Management Staff

Section 1. The board officers of this corporate credit union are comprised of an executive officer, one or more assistant executive officers, a financial officer, and a secretary, all of whom will be elected by the board and from their number. The board will determine the title and rank of each board officer and record them in the addendum to this article. One board officer, the _____, may be compensated for his/her services to such extent as may be determined by the board. If more than one assistant executive officer is elected, the board will determine their rank as first assistant executive officer, second assistant executive officer, and so on. The offices of financial officer and secretary only may be held by the same person. Unless removed as provided in these bylaws, the officers elected at the first meeting of the board will hold office until the first meeting of the board following the first annual meeting of the members and until the election and qualification of their respective successors.

Section 2. Board officers will be elected at the first meeting of the board following the annual meeting of the members, which must be held not later than 7 days after the annual meeting. The elected officers will hold office until the first board meeting following the next annual meeting of the members and until the election and qualification of their respective successors; provided that any person elected to fill a vacancy caused by the death, resignation, or removal of an officer is elected by the board to serve only for the unexpired term of such officer and until a successor is duly elected and qualified.

Section 3. The executive officer will call and will preside at all meetings of the members and at all meetings of the board unless disqualified through suspension by the supervisory committee. The executive officer also performs such other duties as customarily appertain to the office of the executive officer or as may be directed to perform by resolution of the board not inconsistent with the Act and regulations and these bylaws.

Section 4. The ranking assistant executive officer available has and may exercise all the powers, the authority, and the duties of the executive officer during the absence of the latter or his/her inability to act.

Section 5. Unless the board employs a separate management official, the financial officer is responsible for the

management of the corporate credit union and has such authority and such powers as delegated by the board to conduct business from day to day. If actually managing the corporate credit union, the financial officer may be compensated as may be determined by the board. The financial officer may employ or designate one or more assistants, as well as other employees, and may authorize them to perform any of the duties devolving on the financial officer, including the signing of checks. When so designated by the financial officer or the board, any assistant may also act as financial officer during the temporary absence of the financial officer or in the event of the financial officer's inability to act.

Section 6. The board may employ a management official who is not a member of the board and who is under the direction and control of the board, and has all of the duties, powers, rights and responsibilities of the financial officer described in Section 5. The board determines the title and the rank of each management official and records them in the addendum to this article.

Section 7. The secretary causes to be prepared and maintained full and correct records of all meetings of the members and of the board, which records will be prepared within 7 days after the respective meetings. The secretary promptly informs NCUA in writing of any change in the address of the office of this corporate credit union, or the location of its principal records. The secretary gives, or causes to be given, in the manner prescribed in these bylaws, proper notice of all meetings of the members, and performs such other duties as he/she may be directed by resolution of the board not inconsistent with the Act, regulations and these bylaws.

The board may employ one or more assistant secretaries, none of whom may also hold office as executive officer, assistant executive officer, or financial officer, and may authorize them under direction of the secretary to perform any of the duties devolving on the secretary.

Section 8. The board may appoint an executive committee of not fewer than three directors to act for it with respect to specifically delegated functions and subject to such limitations as prescribed by the board.

Section 9. The board may appoint one or more membership officers to approve applications for membership under such conditions as the board and these bylaws may prescribe. Such membership officer or officers may not be a person or persons authorized to disburse funds.

Section 10. The board will appoint an ALCO composed of not less than three, including at least one board member, to have charge of making investments under rules and procedures established by the board.

Section 11. No member of the executive committee, ALCO or membership officer may be compensated as such. Members of the executive committee, ALCO, and membership officers serve at the pleasure of the board of directors.

Addendum

The title and rank of the board officers and management officials of this corporate credit union are as follows:

(a) The executive officer is to have the title of _____.

(b) The assistant executive officer is to have the title of _____.

(c) The financial officer is to have the title of _____.

(d) The assistant financial officer is to have the title of _____.

(e) The recording officer is to have the title of _____.

(f) The assistant recording officer is to have the title of _____.

(g) The management official is to have the title of _____.

(h) The assistant management official is to have the title of _____.

Article IX. Credit Committee

Section 1. The board must determine whether or not this corporate credit union will have a credit committee, and if so, whether the committee members will be elected by the membership or appointed by the board. The board's determination is recorded in the addendum to this Article. If this corporate credit union has a credit committee, either elected or appointed, sections 2 through 7 of this Article apply. If this corporate credit union does not have a credit committee, the board will establish by resolution the procedures for appointing loan officers, delegating authority to the loan officers, and for appeal of loan officer decisions to the board of directors in accordance with applicable law and regulation.

Section 2. The credit committee consists of _____ members. Members of the credit committee must be selected from among the members of the corporate credit union and/or the designated representatives of members or qualified corporate credit union staff. The number of members of the credit committee may be changed to an odd number not fewer than three nor more than seven by resolution of the board. No reduction in the number of members may be made unless corresponding vacancies exist as a result of deaths,

resignations, expiration of terms of office, or other actions provided by these bylaws. A copy of the resolution of the board covering any increase or decrease in the number of committee members must be filed with the official copy of the bylaws of this corporate credit union.

Section 3. Regular terms of office for credit committee members are for periods of either 1, 2, or 3 years as the board will determine; provided that all regular terms are for the same number of years and until the election and qualification of successors. The regular terms are fixed at the beginning, or upon any increase or decrease in the number of committee members, so that approximately an equal number of regular terms expire at each annual meeting.

Section 4. The credit committee chooses from their number a chairman and a secretary. The secretary of the committee prepares and maintains full and correct records of all actions taken by it, and such records must be prepared within 3 days after the action. The offices of chairman and of secretary may be held by the same person.

Section 5. The credit committee may, by majority vote of its members, appoint one or more loan officers to serve at its pleasure and delegate its powers to such loan officers.

Section 6. The credit committee or loan officer must inquire into the financial condition of each loan applicant. No loan or line of credit will be made unless approved by the committee or a loan officer in accordance with applicable law and regulations.

Section 7. Subject to the limits imposed by law, regulation, these bylaws, and the general policies of the board, the credit committee, or a loan officer, will determine the security, if any, required for each application and the terms of repayment.

Addendum

(a) This corporate credit union (1) will, (2) will not (delete one) have a credit committee (date of board action _____).

(b) The members of the credit committee of this corporate credit union will be: (1) Elected by the members (2) appointed by the board of directors (delete one or indicate not applicable) (date of board action _____).

Article X. Supervisory Committee

Section 1. The supervisory committee is appointed by the board from among the members and/or from among the members' designated representatives. The board determines the number of

members on the committee, which may not be fewer than three nor more than five. No member of the credit committee or any employee of this corporate credit union may be appointed to the committee. Regular terms of committee members are for periods 1, 2, or 3 years as the board determines; provided that all regular terms are for the same number of years and until the appointment and qualification of successors. The regular terms expire at the first regular meeting of the board following each annual meeting.

Section 2. The supervisory committee members choose from among their number a chairman and a secretary. The secretary of the supervisory committee prepares, maintains, and has custody of full and correct records of all actions taken by it. The same person may hold the offices of chairman and of secretary.

Section 3. The supervisory committee causes to be made such audits and to prepare and submit such written reports to the board and the members as are required by the Act and regulations.

Section 4. The supervisory committee verifies or causes to be verified the accounts of members in accordance with the Act and regulations.

Section 5. By unanimous vote, the supervisory committee may suspend until the next meeting of the members any director, executive officer, or member of the credit committee. In the event of any such suspension, the supervisory committee will call a special meeting of the members to act on said suspension, which meeting will be held not fewer than 7 nor more than 14 days after such suspension. The chairman of the committee will act as chairman of the meeting unless the members select another person to act as chairman.

Section 6. By the affirmative vote of a majority of its members, the supervisory committee may, after notification to the board, call a special meeting of the members to consider any violation of the provisions of the Act or of the regulations, or of the charter, or of the bylaws of this corporate credit union, or to consider any practice of this corporate credit union which the committee deems to be unsafe or unauthorized.

Article XI. General

Section 1. The officers, directors, members of committees, and employees of this corporate credit union must hold in confidence all transactions of this corporate credit union with its members and all information respecting their business affairs, except when permitted by state or federal law.

Section 2. No director, committee member, officer, agent, or employee of this corporate credit union may participate in any manner, directly, or indirectly, in the deliberation upon or the determination of any question affecting his/her pecuniary interest or the pecuniary interest of any corporation, partnership, or association (other than this corporate credit union) in which he/she is directly or indirectly interested. In the event of the disqualification of any director respecting any matter presented to the board for deliberation or determination, such director must withdraw from such deliberation or determination and, in such event, the remaining qualified directors present at the meeting, if constituting a quorum with the disqualified director or directors, may exercise with respect to this matter, by majority vote, all the powers of the board. In the event of the disqualification of any member of the credit committee, ALCO or the supervisory committee, such committee member must withdraw from such deliberation or determination.

Section 3. The board has the right, at any time, to impose fees for such services and activities, as it deems necessary or desirable.

Article XII. Operations Following an Attack on the United States or Catastrophic Occurrence Otherwise Rendering the Corporate Credit Union Inoperable

Section 1. In the event of an attack upon the United States, or other catastrophic occurrence causing a contingency situation, the officers and employees of the corporate credit union will continue to conduct the affairs of the corporate credit union under such guidance from the directors as may be available and subject to conformance with any government directives during the emergency.

Section 2. In the event of an attack upon the United States, catastrophic occurrence, or a contingency situation, of sufficient severity to prevent the conduct and management of the affairs and business of the corporate credit union by its regularly elected directors, officers, and properly constituted committees as contemplated by these bylaws, any three available members of the then incumbent board of directors will constitute a quorum of the board of directors for the full conduct and management of the affairs and business of the corporate credit union including the approval of loans to members if the regularly elected credit committee is not available. In the event of the unavailability at such time of three

members of the board, the vacancies, in order to provide a quorum of three, will be filled by a succession list established by the board of directors.

Section 3. Pursuant to this section the corporate credit union will maintain and periodically test an organization-wide contingency plan that addresses all reasonable emergency and disaster scenarios.

This bylaw is subject to implementation by resolutions of the board of directors passed from time to time for that purpose, and any provisions of these bylaws (other than this section) and any resolutions which are contrary to the provisions of this section or to the provisions of any such implemented resolutions will be suspended until a regularly constituted board of directors can be obtained.

Article XIII. Amendments of Bylaws and Charter

Section 1. Amendments of these bylaws may be adopted and amendments of the charter may be requested by the affirmative vote of two-thirds of the authorized number of members of the board at any duly held board 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. No amendment of the bylaws or charter becomes effective until approved in writing by NCUA.

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THE NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Meetings of Humanities Panel

AGENCY: The National Endowment for the Humanities.

ACTION: Notice of meetings.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92-463, as amended), notice is hereby given that the following meetings of the Humanities Panel will be held at the Old Post Office, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

FOR FURTHER INFORMATION CONTACT: Daniel Schneider, Advisory Committee Management Officer, National Endowment for the Humanities, Washington, DC 20506; telephone (202) 606-8322. Hearing-impaired individuals are advised that information on this matter may be obtained by contacting the Endowment's TDD terminal on (202) 606-8282.

SUPPLEMENTARY INFORMATION: The proposed meetings are for the purpose of panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the agency by the grant applicants. Because the proposed meetings will consider information that is likely to disclose trade secrets and commercial or financial information obtained from a person and privileged or confidential and/or information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, pursuant to authority granted me by the Chairman's Delegation of Authority to Close Advisory Committee meetings, dated July 19, 1993, I have determined that these meetings will be closed to the public pursuant to subsections (c) (4), and (6) of section 552b of Title 5, United States Code.

1. *Date:* January 6, 2003.

Time: 8:30 a.m. to 5 p.m.

Room: 415.

Program: This meeting will review applications for Exemplary Education Projects, submitted to the Division of Education Programs at the October 15, 2002 deadline.

2. *Date:* January 6, 2003.

Time: 9 a.m. to 5 p.m.

Room: 315.

Program: This meeting will review applications for Fellowship Programs at Independent Research Institutions, submitted to the Division of Research Programs at the September 1, 2002 deadline.

3. *Date:* January 8, 2003.

Time: 8:30 a.m. to 5 p.m.

Room: 730.

Program: This meeting will review applications for Humanities Projects in Media, submitted to the Division of Public Programs at the November 1, 2002 deadline.

4. *Date:* January 8, 2003.

Time: 8:30 a.m. to 5 p.m.

Room: 415.

Program: This meeting will review applications for Exemplary Education Projects, submitted to the Division of Education Programs at the October 15, 2002 deadline.

5. *Date:* January 8, 2003.

Time: 9 a.m. to 5 p.m.

Room: Library of Congress, Jefferson Building, Wilson Room

Program: This meeting will review applications for Library of Congress John W. Kluge Fellowships Program, submitted to the Division of Research Programs, at the August 15, 2002 deadline.