

Press Releases

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OTS 98-64 - One Member One Vote Rule Adopted by OTS Office of Thrift Supervision

NEWS

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For further information

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OTS 98-64

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One Member, One Vote Rule Adopted by OTS

WASHINGTON, D.C., Aug. 27, 1998 - Mutual depository institutions with a one member, one vote provision in their current charters will be able to retain that authority when converting to a federal savings association under a final rule announced today by the Office of Thrift Supervision (OTS). Likewise, any existing federal mutual savings association will be able to adopt a one vote per member provision if it so desires.

The new rule, to be published in the Federal Register on Monday, August 31, 1998, is identical to the proposed rule issued on April 14, 1998. It applies to all mutual-type institutions, including credit unions that wish to become thrifts. In fact, the rule was originally proposed as a partial result of inquiries from credit unions interested in converting to the thrift charter, but wanting to retain the one member, one vote authority. OTS has long held that depository institutions should be free to operate under whatever charter best suits their business needs, consistent with safety and soundness, and the voting provision adds flexibility to the process of converting to a federal savings association.

The rule expands the range of votes a federal mutual savings association may allow a member to cast on issues requiring membership action from the current 50 to 1,000 votes to one to 1,000 votes per member. New federal mutual savings associations may include this provision in their initial federal thrift charter, and existing federal mutual thrifts may amend their charters under prescribed regulatory procedures.

View Final Rule [One Member, One Vote Rule Adopted by OTS](#)

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS' mission is to ensure the safety and

soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents call PubliFax at 202/906-5660, or visit the OTS web page at www.ots.treas.gov.