



TO: NCUA Board

DATE: May 21, 2020

FROM: Office of General Counsel

SUBJ: Proposed Rule – Joint
Ownership Share Accounts

ACTION REQUESTED: Board approval to issue the attached proposed rule, which would amend the NCUA’s regulation governing the requirements for a share account to be separately insured as a joint account by providing an alternative method to satisfy the membership card or account signature card requirement.

DATE ACTION REQUESTED: May 21, 2020.

OTHER OFFICES CONSULTED: None.

VIEWS OF OTHER OFFICES CONSULTED: N/A.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Thomas I. Zells, Staff Attorney, Office of General Counsel.

SUMMARY: The proposed rule would amend the NCUA’s regulation governing the requirements for a share account to be separately insured as a joint account. Specifically, the proposed rule would provide an alternative method to satisfy the membership card or account signature card requirement (signature card requirement). Under the proposal, the signature card requirement could be satisfied by information contained in the account records of the insured credit union establishing co-ownership of the share account, such as evidence that the credit union has issued a mechanism for accessing the account to each co-owner or evidence of usage of the share account by each co-owner.

RECOMMENDED ACTION: Board approval of the attached proposed rule.

ATTACHMENT: Proposed rule.