



March 22, 2010

Mary Rupp  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314

RE: NCUA Interim Final Rule on Secondary Capital Accounts for LICUs

Dear Ms. Rupp:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents federal credit unions (FCU), I am writing to you regarding the National Credit Union Administration's (NCUA) interim final rule on secondary capital accounts for low-income credit unions (LICUs).

The interim final rule enables LICUs to redeem secondary capital from the U.S. Government as well as secondary capital accepted to match the government funded capital anytime after the capital has been on deposit for two years. The changes make it easier for LICUs to participate in the U.S. Department of Treasury's Community Development Capital (CDC) Program.

NAFCU appreciates NCUA's recognition of the need for the regulatory changes to facilitate LICU participation in the CDC Program.

We do, however, seek clarification on one aspect of the interim final rule. The interim final rule indicates that the matching secondary capital is eligible for early redemption. It is not clear, however, whether in the situation where the government funded secondary capital is only matched partially, early redemption would be allowed. NAFCU urges the NCUA to clarify the interim rule to ensure there is no ambiguity or confusion about the eligibility of partially matching funds for early redemption.

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NAFCU appreciates the opportunity to comment on the interim final rule. Should you have any questions or would like to discuss these issues further, please contact me by telephone at (703) 842-2268 or by e-mail at [ttefferi@nafcuhq.org](mailto:ttefferi@nafcuhq.org).

Sincerely,

A handwritten signature in cursive script that reads "Tessema Tefferi". The signature is written in black ink and is positioned above the printed name and title.

Tessema Tefferi  
Associate Director of Regulatory Affairs