



CUNA

Credit Union National Association

601 Pennsylvania Ave., NW | South Building, Suite 600 | Washington, DC 20004-2601 |

cuna.org

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke St.

Re: Conversions of Insured Credit Unions – Definition of Regional Director;
RIN 3133-AD84; 3133-AD85

Dear Ms. Rupp,

The Credit Union National Association (CUNA) appreciates the opportunity to comment on the National Credit Union Administration Board's (Board's) request for comment regarding its interim final rule—which became effective December 23, 2010—that amends the definition of “Regional Director” as it applies to certain types of credit union conversions. By way of background, CUNA is the largest credit union trade organization in the country, representing approximately 90 percent of our nation's nearly 7,600 state and federal credit unions, which serve approximately 93 million members.

The National Credit Union Administration (NCUA) Office of Consumer Protection (OCP) is charged with responsibilities in the areas of credit union chartering, insurance and supervision, as well as consumer compliance. NCUA is in the process of moving responsibility for the review and approval of certain types of credit union conversions from the Regional Directors to the Director of the OCP, including credit union conversions to mutual savings banks or mutual savings associations and the conversion from National Credit Union Share Insurance Fund insurance to non-federal share insurance.

In light of this reassignment of staff functions, NCUA has added the Director of the OCP to the definition of “Regional Director” in Part 708a (*Conversion of Insured Credit Unions to Mutual Savings Banks*). We support the Board's decision to add this language to Part 708a, as we believe it is consistent with the defined role of the Director of the OCP.



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Additionally, to accommodate the reassignment of NCUA staff functions, NCUA has added the revised Part 708a definition of “Regional Director” to Part 708b (*Mergers of Federally Insured Credit Unions; Voluntary Termination or Conversion of Insured Status*). Again, we support this change and believe it will clarify the role of the Director of the OCP in conversions.

While we support the technical changes described in this comment letter, we ask the Board to revisit the role of the Director of the OCP in the context of credit union conversions one year from the effective date of the new authority for the OCP and periodically thereafter, to ensure the process is working as intended. Further, we believe the Board should allow for public input as it conducts these reviews of the OCP Director’s role.

Thank you for the opportunity to express our views on the Board’s interim final rule. If you have any questions about our comments, please do not hesitate to give CUNA Vice President and Deputy General Counsel Mary Dunn or me a call at (202) 508-6735.

Sincerely,

A handwritten signature in cursive script that reads "Luke Martone". The signature is written in black ink and has a horizontal line extending to the right from the end of the name.

Luke Martone
Assistant General Counsel