
Board Action Bulletin



Prepared by the Office of Public & Congressional Affairs

NCUA BOARD ACTIONS TAKEN FEBRUARY 20, 2003

Charter modification

Community conversions approved

The NCUA Board approved the request of \$238 million **First Atlantic Federal Credit Union**, West Long Branch, N.J., to convert from multi-group to a community-based charter able to serve the people who live, work, worship, and attend school, businesses and other legal entities in Monmouth and Ocean County, N.J. Many segments within this designated Primary Metropolitan Statistical Area qualify as underserved financial areas.

Proposal issued to qualify swap agreements as financial contracts

The NCUA Board issued proposed rule Section 709.13 to designate swap agreements as "qualified financial contracts," which would limit swap counterparty exposure when a federally insured credit union is placed into liquidation or conservatorship and thereby enhance stability of the swap market and encourage entities to engage in swaps with federally insured credit unions. Only federal credit unions that have NCUA approval and state-chartered credit unions authorized under state law may engage in swap transactions.

The proposal was issued with a 30-day comment period.

Votes are unanimous unless otherwise indicated.