

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: July 17, 2015

FROM: Office of National Examinations
and Supervision

SUBJ: Part 704 Final Rule –
Corporate Credit Unions

ACTION REQUESTED: Board approval to issue the attached final rule.

DATE ACTION REQUESTED: September 17, 2015.

OTHER OFFICES CONSULTED: Office of Examination and Insurance and the Office of General Counsel.

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Supervision Analyst John Sozanski, Office of National Examinations and Supervision, Senior Staff Attorney Justin Anderson, Office of General Counsel, and Central Liquidity Facility President J. Owen Cole, Jr.

SUMMARY: At its April 2015 meeting, the Board issued a proposed rule amending NCUA's regulations governing corporate credit unions to exclude Central Liquidity Facility-related bridge loans (CLF-related bridge loans) from the aggregate unsecured lending limit and the calculation of minimum capital requirements applicable to corporate credit unions. CLF-related bridge loans are loans made by corporate credit unions to member natural person credit unions that have been approved for a loan and are awaiting funding from the CLF. The Board issued the proposed rule with a 30-day comment period.

The Board received seven comment letters on the proposal. All of the commenters supported the amendments in the proposed rule. As such, the final rule adopts the changes in the proposal without further amendment.

RECOMMENDED ACTION: The NCUA Board issue the attached final rule, which will be effective 30 days from the date of publication in the Federal Register.

ATTACHMENT: Final rule.