



MISSOURI CREDIT UNION ASSOCIATION

December 1, 2011

Mary Rupp  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street, Alexandria, Virginia 22314-3428  
[regcomments@ncua.org](mailto:regcomments@ncua.org)

**RE: Michael V. Beall, Esq., - Comments on Flood Insurance, Interagency questions & Answers;  
RIN 3133-AD41**

Dear Ms. Rupp:

On behalf of Missouri's 138 credit unions, the Missouri Credit Union Association (MCUA) appreciates the opportunity to comment on new guidance issued to update the interagency questions and answers (Q&As) regarding flood insurance issued in 2009.

Generally, MCUA supports the three proposed interagency Q&As regarding force placement of flood insurance intended to provide clearer guidance, clarify additional areas and avoid potential misunderstandings. We support the recommendation not the requirement of an additional notice for inadequate insurance and we support a lender charging for the cost of force placement of flood insurance.

Proposed Q&A 60 would require a lender or its servicer to send a force placement notice to a borrower when flood insurance on the collateral has expired or is less than the amount required for the property. In addition, the proposed guidance recommends that the lender also advise the borrower when flood insurance is about to expire to maintain continuous coverage. MCUA strongly opposes mandating the lender to provide a separate notice which is not required by statute. However, we do not oppose this as a recommendation.

MCUA agrees that as proposed in Q&A 62, a lender or its servicer should be allowed to charge a borrower for the cost of insurance as long as certain conditions are met. These conditions include the that the borrower must provide express authority as a contractual condition of the loan, to be charged for the cost of flood insurance that is equivalent in coverage to a National Flood Insurance Program (NFIP) for any part of the 45-day notice period.

As always, we appreciate the opportunity to respond to new guidance to update the interagency questions and answers regarding flood insurance. We will be happy to respond to any questions regarding these comments.

Sincerely,

Michael V. Beall, Esq.  
President/CEO

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