



6705 Sugarloaf Parkway, Suite 200
Duluth, GA 30097
(770) 476-9625 • (800) 768-4282 • (770) 497-9534 (Fax)



November 26, 2012

Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

RE: Comments on Proposed Rule 703, Investment and Deposit Activities; RIN 3133-AE06

Dear Ms. Rupp,

The Georgia Credit Union League (GCUL) appreciates the opportunity to comment on the Proposed Rulemaking for Part 703, allowing Federal Credit Unions to purchase Treasury Inflation Protected Securities (TIPS). As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL serves approximately 149 Georgia credit unions that have over 1.8 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into proposed regulations such as this.

GCUL supports NCUA's proposal to allow federal credit unions to purchase Treasury Inflation Protected Securities (TIPS) as a permissible investment. GCUL will work with state regulators to aid well-managed credit unions to invest in these securities as well. As the TIPS market has been in existence for 15 years and fully guaranteed by the United States Government.

We fully agree with the NCUA that the authority to invest in TIPS will help credit unions protect themselves against inflation risk. We believe that credit unions will be able to manage any risks associated with TIPS and do not feel that any additional requirements in this area should be imposed on credit unions in connection with TIPS.

GCUL appreciates the opportunity to present comments on behalf of Georgia's credit unions. Thank you for your consideration. If you have questions about our comments, please contact Selina Gambrell or Cindy Connelly at (770) 476-9625.

Respectfully submitted,

A handwritten signature in cursive script that reads "Selina M. Gambrell". The signature is written in black ink on a light-colored background.

Selina M. Gambrell
Compliance Specialist