

**From:** [Dave Styler](#)  
**To:** [Regulatory Comments](#)  
**Subject:** Comments on Notice of Proposed Rulemaking for Associational Common Bonds  
**Date:** Monday, June 30, 2014 5:30:35 PM  
**Attachments:** [image001.png](#)

---

Gerard Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314-3428

Dear Mr. Poliquin:

Thank you for the opportunity to comment on the proposed rule related to associational common bonds.

The Logix Federal Credit Union charter does include several associations. The ability to add members through this channel is clearly a benefit to those associations, to Logix, to the credit union industry, and most importantly, to the individuals able to access credit union products and services as a result of that membership eligibility. We agree that credit unions should operate within established field of membership guidelines, but we also believe the proposed rule has the potential to disrupt credit union ability to grow members in a reasonable, legitimate and historically-available manner.

We agree with the proposal to test separateness between the association and the credit union, but disagree with the requirement for a different physical address between the two entities. In particular, some associations now operate virtually, with no need for a physical address. It may also be possible for an association to share a physical address based on circumstances other than the association being controlled by or affiliated with the credit union, such as in a landlord-tenant relationship, or the fact that both parties lease space in the same building.

We agree with the proposal to provide automatic approval for inclusion of certain associations in a federal credit union's field of membership, but would like to see the list of such associations expanded, particularly to 501(c)(3) organizations.

NCUA's chartering policy should continue to exclude a geographic limitation for associations. As mentioned above, based on the expansion of virtual meeting space, such as through the Internet, geographic and physical proximity is no longer materially relevant to an association's purpose or activities.

Last, we are concerned about the potential for NCUA to remove from a credit union's charter an association previously approved by NCUA. We encourage NCUA to ensure due process in such instances, and when a decision is made to remove an association, allow the credit union sufficient time to research and implement alternative member growth strategies. A minimum of one-year notice should be given before a group is removed from the charter. This would give the credit

union time to consider and implement alternatives, such as a charter change or pursuit of other groups that do meet the criteria.

Thank you again for the opportunity to comment.

Dave Styler

-----  
Dave Styler ▪ Chief Executive Officer

**Logix Federal Credit Union**

P.O. Box 6759 ▪ Burbank, CA 91510  
818.565.2396 Direct ▪ 818.565.2555 Fax

[dstyler@lfcu.com](mailto:dstyler@lfcu.com) ▪ [www.lfcu.com](http://www.lfcu.com)

*Follow me on Twitter @LogixFCU\_CEO*

