

December 9, 1997

James A. Salk. Esq.
LoPinto, Schlather, Solomon & Salk
200 East Buffalo Street
P.O. Box 353
Ithaca, New York 14851

Re: Disclosure of NCUA Examination Reports
Your letter dated September 25, 1997.

Dear Mr. Salk:

You have asked whether Alternatives Federal Credit Union (FCU) may disclose its NCUA examination report and its CAMEL rating to a secondary capital investor. It may not.

NCUA's regulations prohibit the release of NCUA examination reports. 12 C.F.R. §792.4(a). A credit union's CAMEL rating is part of the NCUA examination and, therefore, a credit union is also prohibited from disclosing it. Even though examination reports, which contain the CAMEL ratings, are made available to credit unions for their use, they remain the property of NCUA. 12 C.F.R. §792.4(b)(1). NCUA examination reports are NCUA records that are exempt from release under the Freedom of Information Act. 5 U.S.C. §552(b)(8); 12 C.F.R. §792.(a)(8).

As an alternative, we suggest that the FCU provide its own financial data to the potential secondary capital investor which, as you note in your letter, the FCU is free to do.

Sincerely,

Sheila A. Albin
Associate General Counsel

GC/NSW:bhs
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97-0951