



National Credit Union Administration

TO: NCUA Board

DATE: June 18, 2013

FROM: Office of General Counsel *MOJ*
Office of Examination and Insurance *4*

SUBJ: Final Rule –
Loan Participations; Purchase, Sale
and Pledge of Eligible Obligations;
Purchase of Assets and Assumption
of Liabilities, Parts 701 and 741

ACTION REQUESTED: Board approval to issue the attached final rule regarding loan participations; purchase, sale and pledge of eligible obligations; purchase of assets and assumption of liabilities.

DATE ACTION REQUESTED: June 20, 2013.

OTHER OFFICES CONSULTED: Regions, OCP, OSCUI.

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Pamela Yu, Staff Attorney, Office of General Counsel and Matthew J. Biliouris, Director of Supervision, Office of Examination and Insurance.

SUMMARY: NCUA amends its loan participation rule, eligible obligations rule, and requirements for insurance rule to clarify how the loan participation rule is to be applied and how it relates to other rules. The amendments reorganize the loan participation rule and focus on the purchase side of loan participation transactions. The amendments make it easier to understand NCUA's regulatory requirements for loan participations. The amendments also expand loan participation requirements to federally insured, state-chartered credit unions.

RECOMMENDED ACTION: Board approval of the attached final rule.

ATTACHMENT: Final rule.