

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: June 13, 2017

FROM: Office of General Counsel

SUBJ: Final Rule—Safe Harbor
(12 C.F.R. part 709)

ACTION REQUESTED: Board approval to issue the attached final rule regarding the treatment by conservator or liquidating agent of financial assets transferred in connection with a securitization or participation.

DATE ACTION REQUESTED: June 23, 2017

OTHER OFFICES CONSULTED: Office of Examination and Insurance
Office of National Examination and Supervision

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: John H. Brolin, Senior Staff Attorney, Office of General Counsel, and Lara Rodriguez, Deputy General Counsel.

SUMMARY: The final rule amends part 709 to update NCUA's regulations regarding the treatment by the NCUA Board, as liquidating agent or conservator of a federally insured credit union, of financial assets transferred by the credit union in connection with a securitization or a participation. The amendments will resolve issues that were raised by past modifications to generally accepted accounting principles and parallel changes made to the Federal Deposit Insurance Act. The final rule tracks the language of the FDIC's corresponding safe harbor rule, which is codified at 12 CFR § 360.6.

RECOMMENDED ACTION: The NCUA Board issue the attached final rule.

ATTACHMENT: Final rule.