

7535-01-U

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Parts 700, 701, 702, 703, 704, 705, 708a, 708b, 709, 710, 715, 717, 723, 725, 741, 745, 746, 747, 748, 749, 750, 760, 790, 791, and 792

RIN 3133-AE61

Technical Amendments

AGENCY: National Credit Union Administration (NCUA).

ACTION: Final rule.

SUMMARY: The NCUA Board (Board) is issuing a final rule to make technical amendments to various provisions of the NCUA's regulations. These technical amendments correct minor drafting errors and inaccurate legal citations and remove unnecessary regulatory provisions no longer applicable to federally insured credit unions (FICUs).

DATES: The final rule is effective on [insert date of publication in the FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Benjamin M. Litchfield, Staff Attorney, Division of Regulations and Legislation, Office of General Counsel, at 1775 Duke Street, Alexandria, VA 22314 or telephone: (703) 518-6540.

SUPPLEMENTARY INFORMATION:

- I. Background
- II. Legal Authority
- III. Section-by-Section Analysis
- IV. Regulatory Procedures

I. Background

Occasionally, the Board will issue a technical amendments rule correcting minor drafting errors, inaccurate legal citations, or superfluous regulatory provisions throughout the NCUA's regulations. Because these changes are technical in nature, and do not affect FICUs in a substantive manner, the Board issues these technical amendments rules as final rules without notice and comment typically required by the Administrative Procedure Act (APA).¹ The NCUA's Office of General Counsel has identified a number

¹ 5 U.S.C. 553(b)(A), (B).

of minor drafting errors and inaccurate citations and other technical problems throughout the NCUA’s regulations for correction. Accordingly, the Board is issuing this final rule to address those matters.

II. Legal Authority

The Board has the legal authority to issue this final rule pursuant to its plenary rulemaking authority under the Federal Credit Union Act (FCU Act)² and its specific rulemaking authority under the various acts the Board administers.³

III. Section-by-Section Analysis

General Wording, Style, and Cross-Reference Changes

The final rule makes general wording, style, and cross-reference changes throughout the NCUA’s regulations. For example, the final rule replaces the term “federally-insured” with “federally insured” wherever it appears to promote uniformity. Technical amendments of this nature will apply throughout the NCUA’s regulations. Therefore, the preamble does not address these types of stylistic changes in the section-by-section analysis below.

² See 12 U.S.C. 1766, 1789.

³ See e.g., 15 U.S.C. 6801(b) (requiring the NCUA and the federal banking agencies to establish standards for the administrative, technical, and physical safeguards to protect nonpublic personal information).

Section 700.2 – Definitions

The final rule amends the definitions listed in § 700.2 of the NCUA’s regulations. These definitions apply throughout chapter VII of title 12 of the Code of Federal Regulations “unless the context indicates otherwise.”⁴

Specifically, the final rule revises the definition of “*Act*” to read “Federal Credit Union Act (12 U.S.C. 1751, et seq.)” The current definition, which reads “Federal Credit Union Act (73 Stat. 628, 84 Stat. 944, 12 U.S.C. 1751 through 1790),” is inaccurate because it fails to include Title III of the FCU Act.⁵ The revised citation ensures that the definition of “*Act*” covers the entire FCU Act.

The final rule also replaces the term “*Administration*” with “*NCUA*” to avoid confusion. The term “*Administration*” only appears in § 700.2 and one other section of the NCUA’s regulations. The final rule makes conforming amendments to the definitions of “*Regional Director*” and “*Regional Office*.”

Moreover, the final rule amends the definition of “*credit union*” to conform to the definition in the FCU Act.⁶ Because several of the NCUA’s regulations refer to “federally insured credit unions,” “insured credit unions,” or otherwise reference the insured status of a credit union, the final rule adds definitions for “*federally insured*

⁴ 12 CFR 700.2.

⁵ Pub. L. No. 95-630, Tit. XVIII, § 1802, 92 Stat. 3641, 3719 (Nov. 10, 1978) (codified as 12 U.S.C. 1795 through 1795k).

⁶ See 12 U.S.C. 1752(6).

credit union” and “*noninsured credit union*” to clarify those terms where they are not separately defined in specific rules. These definitions mirror the definitions of those terms in the FCU Act.⁷

Finally, the final rule combines the definitions of “*paid-in and unimpaired capital and surplus*” and “*unimpaired capital and surplus*” to avoid repetition. Section 700.2 currently defines “unimpaired capital and surplus” as “the same as ‘paid-in and unimpaired capital and surplus,’ as defined in paragraph (f) of this section.” The final rule replaces these separate definitions with a single definition that reads “*paid-in and unimpaired capital and surplus or unimpaired capital and surplus.*”

Section 701.6 – Fees Paid by Federal Credit Unions

The final rule replaces references to “the Administration” with “NCUA” in § 701.6 and simplifies the regulatory text. This provision governs the assessment of operating fees on federal credit unions (FCUs) and the imposition of administrative fees and interest for delinquent payments.⁸ While the final rule modernizes the language of this section, the substantive requirements remain the same.

Appendix B to Part 701 – Chartering and Field of Membership Manual

⁷ See 12 U.S.C. 1752(7).

⁸ See 12 CFR 701.6(a).

The final rule makes technical amendments to the Chartering and Field of Membership Manual (Chartering Manual). The Board recently issued two final rules related to FCU chartering and field of membership. The Board published a final rule in the *Federal Register* on December 7, 2016 (“FOM I”) that, in relevant part, expands the Chartering Manual’s definitions of “well-defined local community” and “rural district.”⁹ The Board published a second rule in the *Federal Register* on June 28, 2018 (“FOM II”) that, in relevant part, adopts a narrative approach for FCUs seeking to expand or convert to a community charter.¹⁰

Both of these final rules contain typographical errors in the regulatory text including improperly labelled subheadings and extraneous punctuation. The final rule corrects those mistakes. Furthermore, the final rule reincorporates definitions from FOM I for a “well-defined local community” and “rural district,” which were inadvertently excluded from the regulatory text of the Chartering Manual when FOM II was published.

Part 702 – Capital Adequacy

The final rule removes amendatory instruction 11 from the NCUA’s risk-based capital rule.¹¹ That instruction directs the Federal Register to edit a section reference in § 702.504(b)(4) of the NCUA’s regulations. However, the Board recently removed § 702.504(b)(4) and redesignated paragraphs (b)(5) and (6) as (b)(4) and (5), respectively,

⁹ “Chartering and Field of Membership Manual,” 83 FR 30293 (June 28, 2018).

¹⁰ “Chartering and Field of Membership Manual,” 81 FR 88412 (Dec. 7, 2016).

¹¹ “Risk-Based Capital,” 80 FR 66626, 66722 (Oct. 29, 2015).

as part of the capital planning and stress testing rule.¹² Accordingly, there is no longer a corresponding section reference for the Federal Register to amend. To avoid an editorial note in § 702.504 highlighting this discrepancy, the final rule withdraws instruction 11.

Sections 703.2 and 703.8 – Investment and Deposit Activities

The final rule makes technical amendments to §§ 703.2 and 703.8 of the NCUA’s regulations to recognize a change in nomenclature. On March 19, 2007, the National Association of Securities Dealers, Inc. (NASD) consolidated with NYSE Regulation, Inc. to create the Financial Industry Regulatory Authority (FINRA), a self-regulatory organization charged with policing the conduct of broker-dealers under federal securities laws.¹³ Therefore, the final rule replaces references to “National Association of Securities Dealers” with “Financial Industry Regulatory Authority” and “NASD” with “FINRA” wherever they appear.

Part 708a – Bank Conversions and Mergers

Part 708a contains the NCUA’s regulations governing the conversion of a FICU into a mutual savings bank and the merger of a FICU into a bank. This final rule updates cross-

¹² “Capital Planning and Supervisory Stress Testing,” 83 FR 17901 (Apr. 25, 2018).

¹³ See Securities Exchange Act Release No. 34-56145 (July 26, 2007), 72 FR 42169 (Aug. 1, 2007).

references in the rule to reflect the redesignation of sections that are now contained in Subpart A of the bank conversions and mergers rule.¹⁴

Part 717 – Fair Credit Reporting

The final rule removes and reserves several subparts and appendices to part 717, the NCUA’s regulation implementing the Fair Credit Reporting Act (FCRA).¹⁵ Historically, the federal banking agencies, the NCUA, and the Federal Trade Commission shared rulemaking authority for various aspects of the FCRA. Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) transferred most rulemaking authority for the FCRA to the Bureau of Consumer Financial Protection (BCFP) effective July 21, 2011.¹⁶ The BCFP published a new Regulation V (Fair Credit Reporting), 12 CFR part 1022, on December 21, 2011, implementing those provisions of the FCRA.¹⁷ Therefore, the Board is removing all subparts and appendices to part 717 issued under rulemaking authority in the FCRA that the Dodd-Frank Act transferred to the BCFP.

Part 741 – Requirements for Insurance

¹⁴ See “Fiduciary Duties at Federal Credit Unions; Mergers and Conversions of Insured Credit Unions,” 75 FR 81378 (Dec. 28, 2010) (redesignating sections 708a.1 through 708a.13 as sections 708a.101 through 708a.113 within Subpart A).

¹⁵ 15 U.S.C. 1681 *et seq.*

¹⁶ Pub. L. 111-203, tit. X, §§ 1061, 1088, 124 Stat. 1376, 2035-2092 (July 21, 2010).

¹⁷ See “Fair Credit Reporting (Regulation V)” 76 FR 79307 (Dec. 21, 2011).

The final rule corrects an inaccurate cross-reference in § 741.3(b)(5) of the NCUA's regulations.¹⁸ That provision directs stakeholders to Appendix B to part 741 for guidance on how to develop an interest rate risk (IRR) policy and an effective IRR program. The NCUA's equity distribution rule eliminated Appendix A to part 741 and redesignated Appendix B as Appendix A. Accordingly, the Board is amending § 741.3(b)(5) to include the correct cross-reference to current Appendix A to part 741 which contains the NCUA's guidance on IRR policies.

Part 746 – Appeals Procedures

The final rule also remedies an inadvertent drafting error in the NCUA's supervisory review committee (SRC) rule.¹⁹ The SRC rule permits a FICU to appeal a material supervisory determination made by the NCUA to various appellate bodies within the agency. The SRC rule provides FICUs with specific deadlines by which the credit union must file an appeal in order for the appellate body to hear an appeal. The SRC rule bases these deadlines on when the FICU receives notice of the material supervisory determination or the decision on appeal. Section 746.106, which governs appeal to the Director of the Office of Examination and Insurance (E&I), inadvertently establishes a deadline based on when the material supervisory determination was rendered by the NCUA rather than when it was received by the FICU.²⁰ The final rule corrects this drafting error to clarify that the SRC rule bases the deadline to appeal to the Director of

¹⁸ 12 CFR 741.3(b)(5).

¹⁹ See "Supervisory Review Committee; Procedures for Appealing Material Supervisory Determinations," 82 FR 50270 (Oct. 30, 2017).

²⁰ See 12 CFR 746.106(a).

E&I on when the FICU receives the material supervisory determination not when the decision is rendered.

Part 790 – Description of NCUA; Requests for Agency Action

Part 790 contains a description of the NCUA’s organization and the procedures for public requests for action by the Board.²¹ This part relates solely to the practices of the NCUA and does not apply to FICU operations. In July 2017, the Board announced a plan to streamline and consolidate certain of the NCUA’s functions and offices in an effort to reduce the NCUA’s budget and increase efficiency. This plan includes the elimination of two NCUA Regional Offices effective December 31, 2018. The final rule amends part 790 to reflect the closure of those two offices as well as the creation of the Office of Business Innovation.²²

IV. Regulatory Procedures

Administrative Procedure Act

Generally, the APA requires a federal agency to provide the public with notice and an opportunity to comment on agency rulemakings.²³ The APA, however, creates an

²¹ See 12 CFR 790.1.

²² The Board previously amended part 792 to reflect other aspects of the reorganization plan including the creation of the Office of Credit Union Resources and Expansion and the elimination of the Office of Small Credit Union Initiatives. See “Agency Reorganization,” 82 FR 60290 (Dec. 20, 2017).

²³ 5 U.S.C. 553(b).

exception in cases where an agency for good cause determines “that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.”²⁴

Because all of the changes in this final rule involve only minor, technical amendments to the NCUA’s existing regulations, the Board has determined that notice and comment would be unnecessary and contrary to the public interest.

Furthermore, the APA generally provides that a final rule may not become effective until at least 30 days after its publication in the Federal Register unless the agency determines that good cause exists to dispense with this requirement.²⁵ As noted above, given that the rule does not impose new requirements on federally insured credit unions and only involves minor, technical amendments to existing regulations, the Board finds sufficient good cause exists to dispense with the 30-day effective date requirement. The rule will, therefore, be effective immediately upon publication.

Regulatory Flexibility Act

The Regulatory Flexibility Act requires the NCUA to prepare an analysis of any significant economic impact a regulation may have on a substantial number of small entities (primarily those under \$100 million in assets).²⁶ This final rule will have no economic impact on small credit unions because it only makes minor, technical amendments to NCUA’s existing regulations. Accordingly, the NCUA certifies the rule

²⁴ 5 U.S.C. 553(b)(B).

²⁵ 5 U.S.C. 553(d).

²⁶ 5 U.S.C. 601 – 612.

will not have a significant economic impact on a substantial number of small credit unions.

Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (PRA) applies to rulemakings in which an agency by rule creates a new paperwork burden on regulated entities or increases an existing burden.²⁷ For purposes of the PRA, a paperwork burden may take the form of a reporting or recordkeeping requirement, both referred to as information collections. As the final rule only makes minor, technical amendments to the NCUA's existing regulations, we have determined it does not increase paperwork requirements under the PRA.

Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA) provides generally for congressional review of agency rules.²⁸ A reporting requirement is triggered in instances where the NCUA issues a final rule as defined by § 551 of the APA. As required by SBREFA, NCUA has submitted this rule to the Office of Management and Budget for it to determine if the final rule is a "major rule" for purposes of SBREFA. The NCUA does not believe the rule is major.

Assessment of Federal Regulations and Policies on Families.

²⁷ 44 U.S.C 3501 – 3521.

²⁸ 5 U.S.C. 801 – 808.

The NCUA has determined that this rule will not affect family well-being within the meaning of § 654 of the Treasury and General Government Appropriations Act.²⁹

Executive Order 13132

Executive Order 13132 encourages independent regulatory agencies to consider the impact of their actions on state and local interests.³⁰ The NCUA, an independent regulatory agency as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order to adhere to fundamental federalism principles. The final rule does not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. The NCUA has therefore determined that this final rule does not constitute a policy that has federalism implications for purposes of the executive order.

List of Subjects in

12 CFR Part 700

Credit unions.

²⁹ Pub. L. 105-277, § 654, 112 Stat. 2681, 2681-528 (1998).

³⁰ “Federalism,” E.O. 13,132 (Aug. 10, 1999).

12 CFR Part 701

Advertising, Aged, Civil rights, Credit, Credit unions, Fair housing, Individuals with disabilities, Insurance, Marital status discrimination, Mortgages, Religious discrimination, Reporting and recordkeeping requirements, Sex discrimination, Signs and symbols, Surety bonds.

12 CFR Part 702

Credit unions, Reporting and recordkeeping requirements.

12 CFR part 703

Credit unions, Investments.

12 CFR Part 704

Credit unions, Reporting and recordkeeping requirements, Surety bonds.

12 CFR Part 705

Credit unions, loans, grants, revolving fund, community programs, low income.

12 CFR Part 708a

Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 708b

Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 709

Claims, Credit unions.

12 CFR Part 710

Administrative practice and procedure, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 715

Accounting, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 717

Consumer protection, Credit unions, Information, Privacy, Reporting and recordkeeping requirements.

12 CFR Part 723

Credit, Credit unions, Member business loans, Reporting and recordkeeping requirements.

12 CFR Part 725

Central Liquidity Facility.

12 CFR Part 741

Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 745

Administrative practice and procedure, Claims, Credit unions, Share insurance.

12 CFR Part 746

Administrative practice and procedure, Claims, Credit unions, Investigations.

12 CFR Part 747

Administrative practice and procedure, Bank deposit insurance, Claims, Credit unions, Crime, Equal access to justice, Investigations, Lawyers, Penalties.

12 CFR Part 748

Credit unions, Reporting and recordkeeping requirements, Security measures.

12 CFR Part 749

Archives and records, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 750

Credit unions, Golden parachute payments, Indemnity payments.

12 CFR Part 760

Credit unions, Mortgages, Flood insurance, Reporting and recordkeeping requirements.

12 CFR Part 790

Organization and functions (Government agencies).

12 CFR Part 791

Administrative practice and procedure, Sunshine Act.

12 CFR Part 792

Classified information, Confidential business information, Courts, Freedom of information, Government employees, Privacy.

By the National Credit Union Administration Board on December 13, 2018.

Gerard S. Poliquin
Secretary of the Board

For the reasons discussed above, the Board is amending 12 CFR parts 700, 701, 702, 703, 704, 705, 708a, 708b, 709, 710, 715, 717, 723, 725, 741, 745, 746, 747, 748, 749, 750, 760, 791, and 792 as follows:

PART 700 – DEFINITIONS

1. The authority citation for part 700 continues to read as follows:

Authority: 12 U.S.C. 1752, 1757(6), 1766.

2. Amend § 700.2 to read as follows:

§ 700.2 Definitions

As used in this chapter:

“Act” means the Federal Credit Union Act (12 U.S.C. 1751, et seq.).

“Board” or “NCUA Board” refer to the Board of the National Credit Union Administration.

“Credit union” means a nonprofit financial cooperative chartered under the Federal Credit Union Act or under the laws of any State, the District of Columbia, the several territories and possessions of the United States, or the Commonwealth of Puerto Rico, which laws provide for the organization of financial cooperatives similar in principle and objectives to cooperatives chartered under the Federal Credit Union Act.

* * * * *

“Federally insured credit union” means any credit union whose member accounts are insured by NCUA according to the provisions of Title II of the Federal Credit Union Act (12 U.S.C. 1782 et seq.).

* * * * *

“NCUA” refers to the National Credit Union Administration.

“Noninsured credit union” means a credit union chartered under the laws of any State, the District of Columbia, the several territories and possessions of the United States, the Panama Canal Zone, or the Commonwealth of Puerto Rico, whose member accounts are not insured by NCUA.

“Paid-in and unimpaired capital and surplus” or “unimpaired capital and surplus” mean shares plus post-closing, undivided earnings. This does not include regular reserves or special reserves required by law, regulation or special agreement between the credit union and its regulator or share insurer. “Paid-in and unimpaired capital and surplus” for purposes of the Central Liquidity Facility is defined in § 725.2(o) of this chapter.

“Regional Director” means the representative of NCUA in the designated geographical area in which the office of the federally insured credit union is

located or, for federally insured credit unions with \$10 billion or more in assets, the Director of the Office of National Examinations and Supervision.

“Regional Office” means the office of NCUA located in the designated geographical areas in which the office of the federally insured credit union is located or, for federally insured credit unions with \$10 billion or more in assets, the Office of National Examinations and Supervision.

* * * * *

PART 701 – ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

3. The authority citation for part 701 continues to read as follows:

Authority: 12 U.S.C. 1752(5), 1755, 1756, 1757, 1758, 1759, 1761a, 1761b, 1766, 1767, 1782, 1784, 1786, 1787, 1789. Section 701.6 is also authorized by 15 U.S.C. 3717. Section 701.31 is also authorized by 15 U.S.C. 1601 et seq.; 42 U.S.C. 1981 and 3601-3610. Section 701.35 is also authorized by 42 U.S.C. 4311-4312.

4. Revise § 701.6(a) to read as follows:

§ 701.6 Fees paid by federal credit unions.

(a) *Basis for assessment.* Each calendar year, or as otherwise directed by the NCUA Board, each federal credit union shall pay an operating fee to NCUA for the current fiscal year (January 1 to December 31) in accordance with a schedule fixed by the Board from time to time. The operating fee shall be based on the total assets of each federal credit union (less the assets created on the books of natural person federal credit unions by investments made in a corporate credit union under the Credit Union System Investment Program or the Credit Union Homeowners Affordability Relief Program) as of December 31 of the preceding year or as otherwise determined pursuant to paragraph (b) of this section.

* * * * *

5. In § 701.21(h), revise “federally-insured” to read “federally insured”.
6. In § 701.22, replace “federally insured, state-chartered credit union” with “federally insured state-chartered credit union” wherever it appears.
7. Amend § 701.23(b) by revising “federally-insured” to read “federally insured”.
8. Revise Appendix B to part 701 as follows:

- a. Revise Section III of Chapter 1 by removing the bullet after “and” but before the sentence beginning with “The fact that the certificate is made”.

- b. Revise Section IV.D of Chapter 1 by removing the bullet after “Continuity plan for directors, committee members and management staff” but before the sentence beginning “Operating facilities”.

- c. Revise Section V.B.1 of Chapter 1 by removing the bullet after “Organization Certificate, NCUA 4008” but before “Report of Official and Agreement to Serve, NCUA 4012”.

- d. Revise the heading of Section V.B. 5 of Chapter 1 titled “Certification of Resolutions, NCUA 9501” to read “V.B.6—Certification of Resolutions, NCUA 9501”.

- e. Revise the heading Section I.A. 2 of Chapter 2 to read “*I.A.2 – Special Low-Income Rules*”.

- f. Revise Section II.A.1 of Chapter 2 by removing the bullet after the sentence beginning with “Employees of Johnson Soap Company” but before the sentence beginning “Employees of MMLLJS contractor”.

- g. Revise the heading of Section II.A. 2 of Chapter 2 to read “*II.A.2—Trade, Industry, or Profession*”.

- h. Revise Section II.B.1 of Chapter 2 by removing the bullet after “A single occupational common bond to a single associational common bond” but before “A single occupational common bond to a community charter”.

- i. Revise the heading of Section II.B of Chapter 2 titled “Restructuring” to read “*II.B.2—Restructuring*”.

- j. Revise the heading of Section II.B of Chapter 2 titled “Documentation Requirements” to read “*II.B.4—Documentation Requirements*”.

- k. Revise the heading of Section II.D of Chapter 2 titled “Emergency Mergers” to read “*II.D.2—Emergency Mergers*”.

- l. Revise Section II.D of Chapter 2 titled “Emergency Mergers” by removing the bullet after “Serious and persistent recordkeeping problems; or” but before “Serious and persistent operational concerns”.

- m. Revise the heading of Section II.D of Chapter 2 titled “Purchase and Assumption (P&A)” to read “*II.D.3—Purchase and Assumption (P&A)*”.

- n. Revise the heading of Section II.E of Chapter 2 titled “Organizational Restructuring” to read “*II.E.2—Organizational Restructuring*”.

- o. Revise Section II.H of Chapter 2 by removing the bullet after “Members of the immediate family or household” but before the sentence beginning “Honorably discharged veterans”.

- p. Revise Section III.A.1.a of Chapter 2 by removing the number “1” after “Whether the association maintains a membership list” but before “Whether the association sponsors other activities”.

- q. Revise the heading of Section III.A.1 of Chapter 2 titled “Pre-Approved Groups” to read “III.A.1.b—Pre-Approved Groups”.

- r. Revise Section III.A.1 of Chapter 2 titled “Pre-Approved Groups” by removing the number “(1)” after “Homeowners associations” but before “Labor unions”.

- s. Revise Section III.A.1 of Chapter 2 titled “Pre-Approved Groups” by reformatting “(1), (2), (3), (4), (5), (6), etc.” as “1., 2., 3., 4., 5., 6., etc.”.

- t. Revise Section III.A.3 of Chapter 2 by removing the bullet after “Members of the Shalom Congregation in Chevy Chase, Maryland” but before the sentence beginning with “Regular members of the Corporate Executives Association”.

- u. Revise the heading of Section III.B of Chapter 2 titled “Organizational Restructuring” to read “*III.B.2—Organizational Restructuring*”.

- v. Revise the heading of Section III.B of Chapter 2 titled “Documentation Requirements” to read “*III.B.4—Documentation Requirements*”.

- w. Revise the heading of Section III.C.C.2 of Chapter 2 to read “*III.C.2—Office of Credit Union Resources and Expansion Director Decision*”.

- x. Revise the heading of Section III.D of Chapter 2 titled “Emergency Mergers” to read “*III.D.2—Emergency Mergers*”.

- y. Revise the heading of Section III.D of Chapter 2 titled “Purchase and Assumption (P&A)” to read “*III.D.3—Purchase and Assumption (P&A)*”.

- z. Revise the heading of Section III.E of Chapter 2 titled “Organizational Restructuring” to read “*III.E.2—Organizational Restructuring*”.

- aa. Revise Section III.H of Chapter 2 by removing the bullet after “Members of the immediate family or household” but before the sentence beginning “Honorably discharged veterans”.

- bb. Revise the heading of Section IV.B of Chapter 2 titled “Documentation Requirements” to read “*IV.B.3—Documentation Requirements*”.
- cc. Revise the heading of Section IV.B of Chapter 2 titled “Restructuring” to read “*IV.B.4—Restructuring*”.
- dd. Revise Section IV.C.4 of Chapter 2 by removing the bullet after “Specific reasons for the action” but before “Options to consider, if appropriate, for gaining approval”.
- ee. Revise the heading of Section IV.D of Chapter 2 titled “Voluntary Mergers” to read “*IV.D.1—Voluntary Mergers*”.
- ff. Revise the heading of Section IV.D of Chapter 2 titled “Emergency Mergers” to read “*IV.D.3—Emergency Mergers*”.
- gg. Revise the heading of Section IV.D of Chapter 2 titled “Purchase and Assumption (P&A)” to read “*IV.D.4—Purchase and Assumption (P&A)*”.
- hh. Revise the heading of Section IV.E of Chapter 2 titled “Overlap Issues as a Result of Organizational Restructuring” to read “*IV.E.2—Overlap Issues as a Result of Organizational Restructuring*”.
- ii. Revise section V.A.2 of Chapter 2 to read as follows:

APPENDIX B TO PART 701—CHARTERING AND FIELD OF MEMBERSHIP MANUAL

* * * * *

V.A.2—DEFINITION OF WELL-DEFINED LOCAL COMMUNITY AND RURAL DISTRICT

In addition to the documentation requirements in Chapter 1 to charter a credit union, a community credit union applicant must provide additional documentation addressing the proposed area to be served and community service policies.

An applicant has the burden of demonstrating to NCUA that the proposed community area meets the statutory requirements of being: (1) well-defined, and (2) a local community or rural district.

For an applicant seeking a community charter for an area with multiple political jurisdictions with a population of 2.5 million people or more, the Office of Credit Union Resources and Expansion (CURE) shall: (1) publish a notice in the Federal Register seeking comment from interested parties about the proposed community and (2) conduct a public hearing about this application.

“Well-defined” means the proposed area has specific geographic boundaries. Geographic boundaries may include a city, township, county (single, multiple, or portions of a county) or a political equivalent, school districts, or a clearly identifiable neighborhood.

The well-defined local community requirement is met if:

- **Single Political Jurisdiction**—The area to be served is a recognized Single Political Jurisdiction, *i.e.*, a city, county, or their political equivalent, or any single portion thereof.

- **Statistical Area**—A statistical area is all or an individual portion of a Core-Based Statistical Area (CBSA) designated by the U.S. Census Bureau, including a Metropolitan Statistical Area. To meet the well-defined local community requirement, the CBSA or a portion thereof, must be contiguous and have a population of 2.5 million or less people. An individual portion of a statistical area need not conform to internal boundaries within the area, such as metropolitan division boundaries within a Core-Based Statistical Area.

- **Compelling Evidence of Common Interests or Interaction**—In lieu of a statistical area as defined above, this option is available when a credit union seeks to initially charter a community credit union; to expand an existing community; or to convert to a community charter. Under this option, the credit union must demonstrate that the areas in question are contiguous and further demonstrate a sufficient level of common interests or interaction among area residents to qualify the area as a local community. For that purpose, an applicant must submit for NCUA approval a narrative, supported by appropriate documentation, establishing that the area's residents meet the requirements of a local community.

To assist a credit union in developing its narrative, Appendix 6 of this Manual identifies criteria a narrative should address, and which NCUA will consider in deciding a credit union's application to: initially charter a community credit union; to expand an existing community, including by an adjacent area addition; or to convert to a community charter. In any case, the credit union must demonstrate, through its business and

marketing plans, its ability and commitment to serve the entire community for which it seeks NCUA approval.

An area of any geographic size qualifies as a Rural District if:

- The proposed district has well-defined, contiguous geographic boundaries;
- The total population of the proposed district does not exceed 1,000,000.
- Either more than 50% of the proposed district's population resides in census

blocks or other geographic units that are designated as rural by either the Consumer Financial Protection Bureau or the United States Census Bureau, OR the district has a population density of 100 persons or fewer per square mile; and

- The boundaries of the well-defined rural district do not exceed the outer boundaries of the states that are *immediately contiguous* to the state in which the credit union maintains its headquarters (*i.e.*, not to exceed the outer perimeter of the layer of states immediately surrounding the headquarters state).

The common bond affinity groups that apply to well-defined local communities also apply to Rural Districts.

The requirements in Chapter 2, Sections V.A.4 through V.G. also apply to a credit union that serves a rural district.

* * * * *

jj. Revise the heading of Section V.A of Chapter 2 titled “Business Plan Requirements for a Community Credit Union” to read “*V.A.4—Business Plan Requirements for a Community Credit Union*”.

kk. Revise the heading of Section V.A of Chapter 2 titled “Ample Community Fields of Membership” to read “*V.A.7—Ample Community Fields of Membership*”.

ll. Revise the heading of Section V.D of Chapter 2 titled “Mergers” to read “*V.D.1--Mergers*”.

mm. Revise the heading of Section V.D of Chapter 2 titled “Emergency Mergers” to read “*V.D.2—Emergency Mergers*”.

nn. Revise the heading of Section V.D of Chapter 2 titled “Purchase and Assumption (P&A)” to read “*V.D.3—Purchase and Assumption (P&A)*”.

oo. Revise the heading of Section V.E of Chapter 2 titled “Exclusionary Clauses” to read “*V.E.2—Exclusionary Clauses*”.

pp. Revise the heading of Section II.B of Chapter 3 to read “*II.B—Special Programs*”.

qq. Revise the heading of Section II.C of Chapter 3 to read “*II.C—Low-Income Documentation*”.

rr. Revise the heading of Section II.D of Chapter 3 to read “*II.D—Third-Party Assistance*”.

ss. Revise the heading of Section II.E of Chapter 3 to read “*II.E—Special Rules for Low-Income Federal Credit Unions*”.

tt. Revise Section III.A of Chapter 3 by replacing “12” with “12 U.S.C. 1759(c)(2)” in the first paragraph and removing “U.S.C. 1759(c)(2).” from the second paragraph.

uu. Revise the heading of Section III.B.2 of Chapter 3 titled “Economic Distress Criteria” to read “III.B.2.a—Economic Distress Criteria”.

vv. Revise Section III.B.2 of Chapter 3 titled “Economic Distress Criteria” by removing the bullet after “*Other Criterion. Any other economic distress criterion the CDFI Fund may adopt in the future.*” but before the sentence beginning with “*Id.* §1805.201(b)(3)(ii)(D)(1), (2)(ii) and (3) (2008).”

ww. Revise the heading of Section II.C.4 of Chapter 4 to read “II.C.4—Notification”.

xx. Revise the heading of Section II.D of Chapter 4 titled “Application for a Federal Charter” to read “II.D.2—Application for a Federal Charter”.

yy. Revise the heading of Section II.E of Chapter 4 titled “Effective Date of Conversion” to read “II.E.1—Effective Date of Conversion”.

zz. Revise the heading of Section II.E of Chapter 4 titled “Reports to NCUA” to read “II.E.5—Reports to NCUA”.

aaa. Revise the heading of Section III.D.UA of Chapter 4 to read “III.D.5—Disapproval”.

PART 702 – CAPITAL ADEQUACY

9. The authority citation continues to read as follows:

Authority: 12 U.S.C. 1766(a), 1790d.

10. In part 702, revise all references to “federally-insured” to read “federally insured”.

11. In final rule, entitled “Risk-Based Capital,” beginning on page 66626 of the Federal Register of Thursday, October 29, 2015, remove instruction 11 in the left column of page 66722.

PART 703 – INVESTMENT AND DEPOSIT ACTIVITIES

12. The authority citation continues to read as follows:

Authority: 12 U.S.C. 1757(7), 1757(8), 1757(15).

13. In § 703.2 remove “National Association of Securities Dealers (NASD)” or “NASD” and add, in their place, “Financial Industry Regulatory Authority (FINRA)” or “FINRA”.

14. In § 703.8(b)(2) remove “National Association of Securities Dealers” and add, in its place, “Financial Industry Regulatory Authority”.

PART 704 – CORPORATE CREDIT UNIONS

15. The authority citation continues to read as follows:

Authority: 12 U.S.C. 1766(a), 1781, 1789.

16. In § 704.1(a) remove “Non federally insured corporate credit unions” and add, in its place, “Noninsured corporate credit unions”.

PART 705 – COMMUNITY DEVELOPMENT REVOLVING LOAN FUND ACCESS FOR CREDIT UNIONS

17. The authority citation continues to read as follows:

Authority: 12 U.S.C. 1756, 1757(5)(D), and (7)(I), 1766, 1782, 1784, 1785 and 1786.

18. In part 705, revise all references to “non-federally insured, state-chartered credit unions” and “non-federally insured state-chartered credit unions” to read “noninsured credit unions”.

PART 708a -- BANK CONVERSIONS AND MERGERS

19. The authority citation for part 708a continues to read as follows:

Authority: 12 U.S.C. 1766, 1785(b), and 1785(c).

20. Amend § 708a.101 to read as follows:

§ 708a.101 Definitions.

* * * * *

Credit union has the same meaning as *insured credit union* in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

Federal banking agencies have the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

* * * * *

Mutual savings bank and *savings association* have the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

* * * * *

22. Amend § 708a.104 as follows:

a. In paragraph (a), remove “§708a.3” and add, in its place, “§ 708a.103”.

b. In paragraph (f)(6), remove “§708a.4(f)” and add, in its place, “§ 708a.104(f)”.

23. Amend § 708a.105 as follows:

a. In paragraph (a)(1), remove “§708a.3 and 708a.4” and add, in its place, “§ 708a.103 and 708a.104”.

b. In paragraph (a)(3), remove “§708a.5(a)” and add, in its place, “§ 708a.105(a)”.

c. In paragraph (b), remove “§708a.6” and add, in its place, “§ 708a.106”.

24. Amend § 708a.106(b) by removing “§708a.3” and adding, in its place, “§ 708a.103”.

25. Amend § 708a.107(b) by removing “§708a.5” and adding, in its place, “§ 708a.105”.

26. Amend § 708a.108(b) by removing “§708a.7” and adding, in its place, “§ 708a.107” and removing “§708a.10” and adding, in its place, “§ 708a.110.”

27. Amend paragraphs (a) and (b) of § 708a.110 as follows:

a. In paragraph (a), remove “§708a.8” and add, in its place, “§ 708a.108” and remove “§708a.9” and add, in its place “§ 708a.109”.

b. In paragraph (b), remove “§708a.8” and add, in its place, “§ 708a.108”.

28. Amend § 708a.113(d)(3) by removing “§708a.12” and adding, in its place, “§ 708a.112”.

29. Amend § 708a.305 as follows:

a. In paragraph (c)(3), remove the phrase “because of” the second time it appears.

b. In paragraph (c)(4) remove the phrase “; and” and add, in its place, a period.

30. In § 708a.312(a), revise “Federally insured State chartered credit unions” to read “Federally insured state-chartered credit unions”.

**PART 708b -- MERGERS OF INSURED CREDIT UNIONS INTO OTHER
CREDIT UNIONS; VOLUNTARY TERMINATION OR CONVERSION OF
INSURED STATUS**

31. The authority citation for part 708b continues to read as follows:

Authority: 12 U.S.C. 1752(7), 1766, 1785, 1786, 1789.

32. Revise the part heading to read as shown above.

33. In part 708b, revise all references to “federally-insured” and “nonfederally-insured” to read “federally insured” and “noninsured”, respectively.

34. Amend § 708b.2 by adding the words “As used in this part:” at the beginning of the section before the definitions are listed.

35. Amend Subpart C of part 708b by revising all references to “\$100,000” to read “\$250,000” wherever they occur.

36. Amend § 708b.303(c) by removing the word “and” and adding, in its place, the word “an” in Item 5 of the form Certification of Vote.

**PART 709 – INVOLUNTARY LIQUIDATION OF FEDERAL CREDIT UNIONS
AND ADJUDICATION OF CREDITOR CLAIMS INVOLVING FEDERALLY
INSURED CREDIT UNIONS IN LIQUIDATION**

37. The authority citation for part 709 continues to read as follows:

Authority: 12 U.S.C. 1757, 1766, 1767, 1786(h), 1787, 1788, 1789, 1789a.

38. In part 709, revise all references to “federally-insured” to read “federally insured”.

39. In § 709.4(c)(10) revise “state-chartered federally insured credit union” to read “federally insured state-chartered credit union”.

PART 710 – VOLUNTARY LIQUIDATION

40. The authority citation for part 710 continues to read as follows:

Authority: 12 U.S.C. 1766(a), 1786, and 1787.

41. In part 710, revise all references to “Federally insured state credit union” or “Federally insured state credit unions” to read “Federally insured state-chartered credit union” or “Federally insured state-chartered credit unions”, respectively.

PART 715 – SUPERVISORY COMMITTEE AUDITS AND VERIFICATIONS

The authority citation for part 715 continues to read as follows:

Authority: 12 U.S.C. 1761(b), 1761d, 1782(a)(6).

42. Amend § 715.4(c) by removing the phrase “NCUA form” and adding, in its place, the phrase “NCUA Form”.

43. Amend § 715.10(a) by removing the phrase “National Credit Union Administration (“NCUA”)” and adding, in its place, the term “NCUA”.

PART 717 – FAIR CREDIT REPORTING

44. The authority citation for part 717 is revised to read as follows:

Authority: 12 U.S.C. 1766(a), 1789; 15 U.S.C. 1681m(e).

45. Amend part 717 as follows:

Subpart A – [Reserved]

a. Remove and reserve subpart A, consisting of §§ 717.1 through 717.3.

Subpart C – [Reserved]

b. Remove and reserve subpart C, consisting of §§ 717.20 through 717.28.

Subpart D – [Reserved]

c. Remove and reserve subpart D, consisting of §§ 717.30 through 717.32.

Subpart E – [Reserved]

d. Remove and reserve subpart E, consisting of §§ 717.40 through 717.43.

Appendix C – [Reserved]

e. Remove and reserve Appendix C to part 717.

PART 723 – MEMBER BUSINESS LOANS; COMMERCIAL LENDING

46. The authority citation for part 723 continues to read as follows:

Authority: 12 U.S.C. 1756, 1757, 1757A, 1766, 1785, 1789.

47. In part 723, revise all references to “federally insured, state-chartered credit union” or “federally insured, state-chartered credit unions” to read “federally insured state-chartered credit union” or “federally insured state-chartered credit unions”, respectively.

**PART 725 – NATIONAL CREDIT UNION ADMINISTRATION CENTRAL
LIQUIDITY FACILITY**

48. The authority citation for part 725 is revised to read as follows:

Authority: 12 U.S.C. 1795f(a)(2).

49. Revise part 725 as follows:

a. Revise all references to “federally-chartered” or “federally-insured” to read “federally chartered” and “federally insured”, respectively.

b. Revise all references to “central credit union” or “central credit unions” to read “corporate credit union” or “corporate credit unions”, respectively.

49. Amend § 725.2(h)(2) by removing “or Federal Savings and Loan Insurance Corporation”.

50. Amend § 725.3(a)(2) by removing footnote 1.

51. Amend § 725.4 as follows:

a. Remove footnote 3 from paragraph (a)(2).

b. Revise paragraph (f) by adding the word “or” between the words “chartered” and “within”.

PART 741 – REQUIREMENTS FOR INSURANCE

52. The authority citation for part 741 continues to read as follows:

Authority: 12 U.S.C. 1757, 1766(a), 1781-1790, and 1790d; 31 U.S.C. 3717.

53. Amend part 741 as follows:

a. Revise all references to “federally-insured” and “nonfederally-insured” to read “federally insured” and “nonfederally insured” respectively.

b. Revise all references to “federally insured, state-chartered” or “federally-insured state-chartered” to read “federally insured state-chartered”.

54. In § 741.3(b)(5), replace “Appendix B” with “Appendix A” wherever it appears.

55. Revise § 741.8(c) to read as follows:

§ 741.8 Purchase of assets and assumption of liabilities.

* * * * *

(c) A credit union seeking approval under paragraph (a) of this section must submit a request for approval to the appropriate regional director. The request must state the nature of the transaction and include copies of all relevant transaction documents. The regional director will approve or disapprove the request as soon as possible depending on the complexity of the proposed transaction. Credit unions should submit a request for approval in sufficient time to close the transaction.

* * * * *

56. In § 741.201(a), remove “part 713 of this chapter” and add “§§ 713.3, 713.5, and 713.6” in its place.

57. In §741.219(b), remove the phrase “or Director of the Office of National Examinations and Supervision.”

PART 745 – SHARE INSURANCE AND APPENDIX

58. The authority citation for part 745 continues to read as follows:

Authority: 12 U.S.C. 1752(5), 1757, 1765, 1766, 1781, 1782, 1787, 1789; title V, Pub. L. 109-351; 120 Stat. 1966.

59. Amend part 745 as follows:

a. Revise all references to “federally-insured” to read “federally insured”.

b. Revise all references to “state credit union” or “state credit unions” to read “state-chartered credit union” or “state-chartered credit unions”, respectively.

60. Revise § 745.203(b) to read as follows:

§ 745.203 Judicial review.

* * * * *

(b) Failure to file an appeal with regard to an initial determination, or a decision rendered on a request for reconsideration within the applicable time periods shall constitute a failure by the accountholder to exhaust available administrative remedies and, due to such failure, any objections to the initial determination or request for reconsideration

shall be deemed to be waived and such determination shall be deemed to have been accepted by, and binding upon, the accountholder.

* * * * *

PART 746—APPEALS PROCEDURES

SUBPART A – PROCEDURES FOR APPEALING MATERIAL SUPERVISORY DETERMINATIONS

61. The authority citation for part 746, subpart A continues to read as follows:

Authority: 12 U.S.C. 1766, 1787, and 1789.

62. Revise § 746.106(a) to read as follows:

§ 746.106 Procedures for requesting review by the Director of the Office of Examination and Insurance.

* * * * *

(a) Request for review. Prior to filing an appeal with the Committee pursuant to §746.107, but after receiving a written decision by the appropriate program office in

response to a request for reconsideration pursuant to §746.105, an insured credit union may make a written request for review by the Director of the Office of Examination and Insurance of the program office's material supervisory determination. Such a request must be made within 30 calendar days after receiving a final decision on reconsideration from the appropriate program office. A request for review must be in writing and filed with the Secretary of the Board, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428.

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**PART 747 – ADMINISTRATIVE ACTIONS, ADJUDICATIVE HEARINGS,
RULES OF PRACTICE AND PROCEDURE, AND INVESTIGATIONS**

63. The authority citation for part 747 continues to read as follows:

Authority: 12 U.S.C. 1766, 1782, 1784, 1785, 1786, 1787, 1790a, 1790d; 15 U.S.C. 1639e; 42 U.S.C. 4012a; Pub. L. 101-410; Pub. L. 104-134; Pub. L. 109-351; Pub. L. 114-74.

64. Amend part 747 as follows:

a. Revise all references to “federally-insured” to read “federally insured”.

b. Revise all references to “state credit union” or “state credit unions” to read “state-chartered credit union” or “state-chartered credit unions”, respectively.

**PART 748 -- SECURITY PROGRAM, REPORT OF SUSPECTED CRIMES,
SUSPICIOUS TRANSACTIONS, CATASTROPHIC ACTS AND BANK
SECURITY ACT COMPLIANCE**

65. The authority citation for part 748 continues to read as follows:

Authority: 12 U.S.C. 1766(a), 1786(q); 15 U.S.C. 6801-6809; 31 U.S.C. 5311 and 5318.

66. In part 748, revise all references to “federally-insured” to read “federally insured”.

67. Amend Appendix A by removing “G. Implement the Standards” from the table of contents.

**PART 749—RECORDS PRESERVATION PROGRAM AND APPENDICES—
RECORD RETENTION GUIDELINES; CATASTROPHIC ACT
PREPAREDNESS GUIDELINES**

68. The authority citation for part 749 continues to read as follows:

Authority: 12 U.S.C. 1766, 1783 and 1789; 15 U.S.C. 7001(d).

69. Amend part 749 by revising all references to “federally-insured” to read “federally insured”.

PART 750—GOLDEN PARACHUTE AND INDEMNIFICATION PAYMENTS

70. The authority citation for part 750 continues to read as follows:

Authority: 12 U.S.C. 1786(t).

71. In part 750, revise all references to “Federally insured” to read “federally insured”.

PART 760—LOANS IN AREAS HAVING SPECIAL FLOOD HAZARDS

72. Revise the authority citation for part 760 to read as follows:

Authority: 12 U.S.C. 1757, 1784(e), 1789; 42 U.S.C. 4012a, 4104a, 4104b, 4106, and 4128.

PART 790 – DESCRIPTION OF NCUA; REQUESTS FOR AGENCY ACTION

73. The authority citation for part 790 continues to read as follows:

Authority: 12 U.S.C. 1766, 1789, 1795f.

74. Revise § 790.2(c) to read as follows:

§ 790.2 Central and field office organization.

* * * * *

(b) * * *

(18) ***The Office of Business Innovation.*** The Office of Business Innovation (OBI) serves as a central platform and facilitator for critical agency stakeholders to shape achievable solutions and capabilities to manage evolving business demands. This office manages the agency’s Information Technology modernization and business process optimization efforts, from the internal and external business stakeholder perspective, of mission related systems that enable the NCUA’s core mission of regulating and supervising credit unions. Additionally, OBI provides enterprise information security support in partnership with the Office of the Chief Information Officer (OCIO) and serves as a center point for enterprise data strategy and governance.

* * * * *

(c) **Field Offices.** NCUA's programs are conducted through Regional Offices and the Office of National Examinations and Supervision.

(1) **Regional Offices.** (i) The NCUA has three Regional Offices:

Region name	Area within region	Office address
Eastern	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia.	1900 Duke Street, Suite 300, Alexandria, VA 22314-3498.
Southern	Alabama, Arkansas, Florida, Georgia, Indiana, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, Puerto Rico, South Carolina, Tennessee, Texas, and Virgin Islands.	4807 Spicewood Springs Road, Suite 5200, Austin, TX 78759-8490.
Western	Alaska, American Samoa, Arizona, California, Colorado, Guam, Idaho, Illinois, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Nevada, Utah, Washington, Wisconsin, and Wyoming.	1230 West Washington Street, Suite 301, Tempe, AZ 85281.

(ii) A Regional Director is in charge of each Regional Office. The Regional Director manages NCUA's programs in the Region assigned in accordance with established policies. A Regional Director's duties include: directing examination and supervision programs to promote and assure safety and soundness; assisting other offices in chartering and insurance issues; managing regional resources to meet program objectives

in the most economical and practical manner; and maintaining good public relations with public, private, and governmental organizations, federal credit union officials, credit union organizations, and other groups which have an interest in credit union matters in the assigned region. The Regional Director maintains liaison and cooperation with other regional offices of federal departments and agencies, state agencies, city and county officials, and other governmental units that affect credit unions. The Regional Director is aided by Associate Regional Directors. Each region is divided into examiner districts, each assigned to a Supervisory Credit Union Examiner; groups of examiners are directed by a Supervisory Credit Union Examiner, each of whom in turn reports directly to one of the Associate Regional Directors.

(2) *Office of National Examinations and Supervision.* Similar to a Regional Director, the Director of the Office of National Examinations and Supervision manages NCUA's supervisory program over credit unions; however, it oversees the activities for corporate credit unions and of natural person credit unions with assets totaling \$10 billion or more, in accordance with established policies. The Director's duties include directing insurance, examination, and supervision programs to promote and assure safety and soundness; managing office resources to meet program objectives in the most economical and practical manner; and maintaining good public relations with public, private and governmental organizations, credit union officials, credit union organizations, and other groups which have an interest in credit union matters in the assigned office. The Director maintains liaison and cooperation with other regional offices of federal departments and agencies, state agencies, and other governmental units that affect credit unions. The

Director is aided by a Deputy Director. Staff working in the office report to the Director of Supervision, who in turn reports to the Deputy Director. Field staff is divided into examiner districts, each assigned to a National Field Supervisor, each of whom in turn reports directly to the Deputy Director.

* * * * *

PART 791—RULES OF NCUA BOARD PROCEDURE; PROMULGATION OF NCUA RULES AND REGULATIONS; PUBLIC OBSERVATION OF NCUA BOARD MEETINGS

75. The authority citation for part 791 continues to read as follows:

Authority: 12 U.S.C. 1766, 1789 and 5 U.S.C. 552b.

76. In § 791.8(b)(4), revise “state-chartered federally-insured credit union” to read “federally insured state-chartered credit union”.

PART 792—REQUESTS FOR INFORMATION UNDER THE FREEDOM OF INFORMATION ACT AND PRIVACY ACT, AND BY SUBPOENA; SECURITY PROCEDURES FOR CLASSIFIED INFORMATION

77. The authority citation for part 792 continues to read as follows:

Authority: 12 U.S.C. 1766, 1789 and 5 U.S.C. 552b

78. In § 792.30, revise “federally-insured” to read “federally insured”.