

June 11, 2015

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

Re: Comments on Proposed Rule—Corporate Credit Unions, RIN 3133–AE52

Dear Mr. Poliquin:

The Credit Union National Association (CUNA) appreciates the opportunity to comment on the second notice of proposed rulemaking on corporate credit unions. CUNA represents America's credit unions and their more than 100 million members.

NCUA is proposing additional amendments to the corporate credit union regulation in response to public comments on the 2014 proposed corporate credit union rule that were beyond the scope of the 2014 proposed rule. NCUA is required by the Administrative Procedures Act to issue a proposed rule in order to adopt these proposed amendments. The agency's willingness to consider suggestions beyond the scope of the original proposal demonstrates that NCUA seriously considers public comments and is willing to work with the industry.

Under the proposal, a Central Liquidity Facility (CLF)-related bridge loan made by a corporate credit union to a natural person credit union would be excluded from the corporate's aggregate unsecured lending cap. This exclusion would apply only to a CLF-related bridge loan made to a natural person credit union that has been approved for a loan from the CLF, but has not yet received such funding. The proposal would also remove CLF-related bridge loans from the calculation of "net assets" and "net risk-weighted assets" for determining minimum capital requirements. These amendments should make it easier for corporate credit unions to supply immediate liquidity to natural person credit unions through CLF-related bridge loans. The CLF funds its loans from the U.S. Treasury Department, which can take up to 10 days to fund after receiving a request from the CLF. This delay from approval to funding could create a hardship when a credit union is experiencing liquidity problems.

CUNA supports these amendments, as they will make CLF loans more useful without adding any additional risk to corporate credit unions or the credit union system. CLF-related bridge loans make it easier for credit unions to use the CLF by providing them with an immediate source of funds while awaiting funding of a CLF loan.

CUNA supports the amendments proposed in the corporate credit union rule. If you have any questions about our letter, please do not hesitate to contact me at (202) 508-6705.

Sincerely,

A handwritten signature in black ink that reads "Lance Noggle". The signature is written in a cursive style with a large initial "L" and "N".

Lance Noggle
Senior Director of Advocacy and Counsel