

December 15, 2015

Mr. Gerald Poliquin
Secretary of the Board, NCUA
1775 Duke Street
Alexandria, VA 22314-3428

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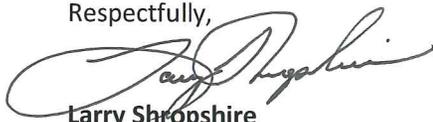
I am writing in support of the Proposed Rulemaking Regarding Associational Common Bond. As you are well aware, credit unions offer unparalleled financial benefits to consumers and small business owners. Expanding consumer access to credit union services has many benefits. First and foremost, credit union membership has been shown to save consumers millions of dollars each year. This translates not only to financial security, but additional money that consumers can spend to grow our national economy. I encourage the NCUA to proceed with easing regulatory burdens related to FOM expansion, thereby enhancing our industry's ability to serve communities and individuals in need of competitively priced financial services.

As an example of the current burden, I will highlight a past experience in one of the areas addressed by the proposed rule; streamlining the stand-alone feasibility of groups greater than 3,000. In 2014, one of the SEGs served by Communication Federal Credit Union chose to spin off a portion of its business to a new company. Even though the new company is primarily owned by the former parent company, the NCUA determined that the new company must be added to the CFCU FOM in order to continue servicing employees of the new company. Additionally, as the new company had slightly over 3,000 employees following the spin-off, this triggered a cumbersome process to re-enroll the new company as a SEG of the credit union. In addition to waiting on approval, as part of its feasibility analysis, the NCUA required the new company to draft a lengthy letter enumerating the many reasons it wished to remain affiliated with CFCU, rather than form its own credit union. This experience was extremely frustrating to the company, as it added an additional hurdle to the already challenging task of transitioning to a new, publicly traded company, moving offices and transitioning employees. The company being served as a SEG felt as though their initial letter requesting to affiliate with CFCU should have sufficed without the additional requirements of the determination process.

In this instance, the NCUA, which exists to ensure the stability of credit unions, simply provided additional challenges in our efforts to continue serving members. Should we have not had a strong relationship with this group, they could have simply chosen not to endure the challenges and no longer been affiliated with CFCU. Alienating such a large group from the credit union FOM, would have resulted in a financial impact of lost business and the credit union having to remove ATMs and close branches located in sponsor space of the new company.

Again, this is just one example of the current challenges under the current FOM rules which could be mitigated with the proposed rules. I encourage you to proceed with the proposed rule, enhance consumer access to credit unions and strengthen our industry.

Respectfully,



Larry Shropshire
President/CEO
Communication Federal Credit Union