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November 23, 2015

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

RE: Comments on Proposal for Investment and Deposit Activities—Bank Notes – Part 703; RIN 3133-AE55

Dear Mr. Poliquin,

The Georgia Credit Union League (GCUL) appreciates the opportunity to respond to the proposal for Investment and Deposit Activities – Bank Notes – Part 703. As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL supports more than 120 Georgia credit unions that serve over 2 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into proposed requests for comments such as this.

GCUL supports this ruling by removing the word “original” from the maturity requirements and as it more closely aligns NCUA requirements regarding bank notes with Regulation D. Expanding the list of permissible offerings will result in 1) Cheaper execution prices, as the “less than 5 years” element resulted in those bank notes often selling at a premium; 2) flexibility for FCUs to purchase bank notes that were originally issued with maturities greater than 5 years; and 3) FCUs being able to spend less time and effort in finding suitable offerings. We believe that removing the word “original” will not pose any safety and soundness issues.

However, we do have some concern regarding the concentration as a percentage of net worth. If this rule is approved, we believe that NCUA should issue some guidance to credit unions on appropriate tolerance limits they find reasonable.

GCUL appreciates the opportunity to present comments on behalf of Georgia’s credit unions. Thank you for your consideration. If you have questions about our comments, please contact Selina Gambrell or Cindy Connelly at (770) 476-9625.

Respectfully submitted,

A handwritten signature in cursive script that reads "Selina M. Gambrell". The signature is written in black ink on a light-colored background.

Selina M. Gambrell
Compliance Specialist