



OHIO CREDIT  
UNION LEAGUE

March 30, 2018

Gerard Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314

Re: Request for Comment-Involuntary Liquidation of Federal Credit Unions and Claims Procedures

Dear Mr. Poliquin,

The Ohio Credit Union League (OCUL) welcomes the opportunity to submit comments concerning the National Credit Union Administration's (NCUA) proposed changes to Part 709 regarding the involuntary liquidation of federal credit unions and claims procedures.

As Ohio's 276 credit unions continue to modernize operations, enhance member-experience, and offer consumer-friendly, non-predatory financial services, Ohio credit unions look to their prudential regulator to assist in creating an effective and efficient operating environment through the implementation of common-sense rules and regulations. Because of this, we support NCUA's efforts to clarify existing rules and ensure that various rule sections do not conflict.

OCUL supports the proposed rule which is applicable to employees of insolvent credit unions under involuntary liquidation. Under the current rule proposal, said employees would be permitted to receive a final paycheck including compensation for the pay period immediately preceding the liquidation, accrued but unpaid sick and vacation leave, and any severance pay, provided any such terms were documented and objectively applied. This is different from the current rule, as wages and severance claims are assigned second priority, subordinate among unsecured claims. This rule proposal ensures insolvent credit union employees are treated fairly and allows for compensation in accordance with their contractual employment agreement. Essentially, the agency is proposing to create an exception to the generally applicable limitation to the regulation governing golden parachute payments. We laud the agency for updating Part 709 to account for this technical correction.

We appreciate the opportunity to engage with NCUA and provide comments on the involuntary liquidation and claims procedures proposal. If you have further questions or would like to discuss OCUL's comments in further detail, please feel free to contact us at 800-486-2917.

Respectfully,

Handwritten signature of Paul L. Mercer in black ink.

Paul L. Mercer  
President

Handwritten signature of Miriah Lee in black ink.

Miriah Lee  
Manager of Policy Impact



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