



March 29, 2018

Gerard Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428
Via email to: regcomments@ncua.gov

Re: Cornerstone Comments on Involuntary Liquidation of Federal Credit Unions and Claims Procedures

Dear Mr. Poliquin:

Cornerstone Credit Union League (Cornerstone) appreciates the opportunity to submit comments concerning the National Credit Union Administration's (NCUA) proposed changes to part 709 of its rules. Cornerstone represents over 500 federally and state chartered credit unions in Texas, Oklahoma, and Arkansas, which in turn serve over 8.1 million members.

Cornerstone supports the proposed revisions to part 709 of NCUA's rules. We believe the amendment would clarify and improve the procedures that apply to claims administration for federally insured credit unions that enter involuntary liquidation.

Under the current procedure, wages and severance claims are assigned second priority, subordinate among unsecured claims. The proposal would amend the current rule's payout priority provision by ensuring that employees of an insolvent credit union are treated fairly and compensated in accordance with their contractual employment agreements. The proposed rule, applicable to employees of insolvent credit unions under involuntary liquidation, would permit an employee's final paycheck to include compensation for the pay period immediately preceding the liquidation, as well as accrued but unpaid sick and vacation leave, including any severance to which the employee was entitled, provided such terms were documented and objectively-applied.

We thank NCUA for addressing this technical correction.

Thank you for the opportunity to provide comments on the involuntary liquidation and claims procedures proposal. Should you have any questions about Cornerstone's comments, please feel free to contact me at (512) 853-8516.

Sincerely,

A handwritten signature in black ink that reads 'Suzanne Yashewski'.

Suzanne Yashewski
SVP Regulatory Compliance Counsel
Cornerstone Credit Union League
(512) 853-8516
syashewski@cornerstoneleague.coop