This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

This rule provides minor technical corrections and will not cause any regulatory changes.

B. Regulatory Changes

NCUA is amending a number of its regulations to make minor technical corrections. The amendments update the regulations and make other grammatically necessary corrections. The amendments are intended to provide helpful changes to NCUA’s regulations.

DATES: This rule is effective June 18, 2010.

FOR FURTHER INFORMATION CONTACT: Pamela Yu, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428 or telephone: (703) 518–6540.

SUPPLEMENTARY INFORMATION:

A. Background

NCUA continually reviews its regulations to “update, clarify and simplify existing regulations and eliminate redundant and unnecessary provisions.” NCUA Interpretive Rulings and Policy Statement (IRPS) 87–2. Developing and Reviewing Government Regulations. In 2009, NCUA internally reviewed its regulations as part of a publication process and took the opportunity to update, clarify and simplify its regulations. Based on this review, NCUA determined minor revisions to certain regulations would be helpful.

B. Regulatory Changes

This rule provides minor technical corrections and will not cause any regulatory changes.

C. Regulatory Procedures

Final Rule Under the Administrative Procedure Act

NCUA is issuing this rulemaking as a final rule, effective upon publication. Generally, the Administrative Procedure Act (APA) requires a rulemaking to be published as a notice of proposed rulemaking with the opportunity for public comment, unless the agency for good cause finds that notice and public comment are impracticable, unnecessary, or contrary to the public interest. 5 U.S.C. 553. NCUA believes good cause exists for issuing these amendments without notice and public comment. The amendments in this rule are not substantive but merely technical in that they make minor corrections, provide clarification or update the regulations.

Additionally, the APA requires that a final rule must have a delayed effective date of 30 days from the date of publication, except for good cause. 5 U.S.C. 553(d). NCUA also finds good cause to waive the customary 30-day delayed effective date requirement under the APA. 5 U.S.C. 553(d)(3). The rule will, therefore, be effective immediately upon publication.

Regulatory Flexibility Act

The Regulatory Flexibility Act requires NCUA to prepare an analysis to describe any significant economic impact a rule may have on a substantial number of small entities (primarily those credit unions under ten million dollars in assets). This rule does not impose any regulatory burden. It merely makes non-substantive technical changes to certain sections of NCUA’s regulations. This rule will not have a significant economic impact on a substantial number of small credit unions; thus, a regulatory flexibility analysis is not required.

Paperwork Reduction Act

NCUA has determined that this rule will not increase paperwork requirements under the Paperwork Reduction Act of 1995 and regulations of the Office of Management and Budget.

Executive Order 13132

Executive Order 13132 encourages independent regulatory agencies to consider the impact of their actions on state and local interests. In adherence to fundamental federalism principles, NCUA, an independent regulatory agency as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order. This rule will not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. NCUA has determined that this rule does not constitute a policy that has federalism implications for purposes of the executive order.


Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121) (SBREFA) provides generally for congressional review of agency rules. A reporting requirement is triggered in instances where NCUA issues a final rule as defined by Section 551 of the APA. 5 U.S.C. 551. The Office of Management and Budget has determined that this rule is not a major rule for purposes of SBREFA. As required by SBREFA, NCUA will file the appropriate reports with Congress and the General Accounting Office so this rule may be reviewed.

List of Subjects

12 CFR Part 701

Advertising, Aged, Civil rights, Credit, Credit unions, Fair housing, Individuals with disabilities, Insurance, Marital status discrimination, Mortgages, Religious discrimination, Reporting and recordkeeping requirements, Sex discrimination, Signs and symbols, Surety bonds.
12 CFR Part 702
Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 704
Credit unions, Reporting and recordkeeping requirements, Surety bonds.

12 CFR Part 708a
Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 708b
Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 709
Claims, Credit unions.

12 CFR Part 711
Antitrust, Credit unions, Holding companies.

12 CFR Part 712
Administrative practice and procedure, Credit unions, Investments, Reporting and recordkeeping requirements.

12 CFR Part 715
Accounting, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 716
Bank deposit insurance, Consumer protection, Credit unions, Privacy, Reporting and recordkeeping requirements.

12 CFR Part 717
Consumer protection, Credit unions, Information, Privacy, Reporting and recordkeeping requirements.

12 CFR Part 721
Credit unions.

12 CFR Part 722
Credit unions, Mortgages, Reporting and recordkeeping requirements.

12 CFR Part 741
Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 742
Credit unions, Reporting and recordkeeping requirements.

12 CFR Part 745
Administrative practice and procedure, Bank deposit insurance, Claims, Credit unions.

12 CFR Part 747
Administrative practice and procedure, Bank deposit insurance, Claims, Credit unions, Crime, Equal access to justice, Investigations, Lawyers, Penalties.

12 CFR Part 790
Organization and functions (Government agencies).

12 CFR Part 791
Administrative practice and procedure, Sunshine Act.

12 CFR Part 792
Classified information, Confidential business information, Courts, Freedom of information, Government employees, Privacy.

12 CFR Part 793
Claims.

12 CFR Part 795
Reporting and recordkeeping requirements.

By the National Credit Union Administration Board on May 4, 2010.

Mary Rupp,
Secretary of the Board.

Accordingly, under the authority 12 U.S.C. 1752a, NCUA is amending 12 CFR chapter VI as follows:

PART 701—ORGANIZATION AND OPERATIONS OF FEDERAL CREDIT UNIONS

1. The authority citation for part 701 continues to read as follows:


§ 701.14 [Amended]

2. Section 701.14 is amended by removing in paragraphs (b)(3)(i)(A), (B), and (C) the word “Camel” and adding in its place the word “CAMEL”.

§ 701.21 [Amended]

3. Section 701.21 is amended by:

a. Removing in paragraph (b)(1) introductory text the word “NCUA’s” appearing in the first sentence and adding in its place the word “NCUA”.

b. Removing in paragraph (c)(5) the citation “§ 723.8 and 723.9” and adding in its place the citation “§§ 723.8 and 723.9”.

c. Removing in paragraph (c)(8)(ii), in the definition of “Compensation”, the words “non monetary” and adding in their place the word “non-monetary”.

d. Removing in paragraph (c)(8)(iii)(D) the words “non senior management” and adding in their place the words “non-senior management.”

e. Removing in paragraph (d)(4) introductory text the word “or” after the word “obligor” and before the word “endorser.”

f. Removing in paragraph (d)(5)(iii) the comma after the words “family member of an official” and before the words “shall not be more favorable” in the first sentence.

Appendix A to Part 701 [Amended]

4. Appendix A to Part 701 is amended by:

a. Adding in Article III, Section 5 introductory text a colon after the words “provided, however, that” at the end of the sentence.

b. Adding parentheses to enclose the letter “k” in Article IV, Section 4, paragraph (k).

PART 702—PROMPT CORRECTIVE ACTION

5. The authority citation for part 702 continues to read as follows:

Authority: 12 U.S.C. 1766(a), 1790d.

§ 702.2 [Amended]

6. Section 702.2 is amended by:

a. Adding a period after the section heading “Definitions”.

b. Adding in paragraph (g) an end parenthesis after the words “(as defined in paragraph (f) of this section”.

c. Adding in paragraph (g) an end parenthesis after the words “(as defined by a measure chosen under paragraph (j) of this section”.

§ 702.103 [Amended]

7. Section 702.103 introductory text is amended by adding the word “in” after the words “if the credit union meets both of the following criteria as reflected” and before the words “its most recent Call Report” in the first sentence.

§ 702.204 [Amended]

8. Section 702.204(b)(3) is amended by removing the period after the words “as provided in § 702.202(b)(3)” and adding in its place a semicolon.

§ 702.205 [Amended]

9. Section 702.205(a)(1) is amended by adding an end parenthesis after the words “(as defined in § 702.2(b))”.

PART 704—CORPORATE CREDIT UNIONS

10. The authority citation for part 704 continues to read as follows:

Authority: 12 U.S.C. 1766(a), 1781, 1789.

§ 704.5 [Amended]

11. Section 704.5 is amended by:

a. Removing in paragraph (d)(4) the semicolon and the word “and” and
PART 708a—CONVERSION OF INSURED CREDIT UNIONS TO MUTUAL SAVINGS BANKS

13. The authority citation for part 708a continues to read as follows:


§ 708a.4 [Amended]

14. Section 708a.4 is amended by redesignating the second paragraph (b)(4)(ii) as paragraph (b)(4)(iii).

PART 708b—MERGERS OF FEDERALLY INSURED CREDIT UNIONS; VOLUNTARY TERMINATION OR CONVERSION OF INSURED STATUS

15. The authority citation for Part 708b continues to read as follows:


§ 708b [Amended]

16. Section 708b.302 is amended by:

a. Removing the word “Insurance” in the section heading and adding in its place the word “Insurance”.

b. Adding in paragraph (b) a period after the word “The board of directors has concluded that the proposed conversion is desirable for the following reasons: (Insert reasons)” appearing in the third full paragraph of the form notice, under the subheading “INSURANCE CONVERSION.”

c. Adding in paragraph (c) a period after the words “Please mail or bring it to: (Insert name of independent entity and address)” appearing in the first full paragraph of the form ballot.

PART 709—INvoluntary Liquidation of Federal Credit Unions and Adjudication of Creditor Claims Involving Federally Insured Credit Unions in Liquidation

17. The authority citation for part 709 continues to read as follows:

Authority: 12 U.S.C. 1757, 1766, 1767, 1786(b), 1787, 1788, 1789, 1789a.

§ 709.4 [Amended]

18. Section 709.4(a) is amended by removing the word “thereof” and adding in its place the word “therefore”.

§ 709.9 [Amended]

19. Section 709.9(f) introductory text is amended by removing the word “if” after the words “Before the end of the 90-day period beginning on the date a request” and before the word “filed” and adding in its place the word “is”.

PART 711—MANAGEMENT OFFICIAL INTERLOCKS

20. The authority citation for part 711 continues to read as follows:


§ 711.2 [Amended]

21. Section 711.2(e) is amended by adding an end parenthesis after the citation “(12 U.S.C. 3201)” and before the words “having its principal office located in the United States”.

PART 712—CREDIT UNION SERVICE ORGANIZATIONS (CUSOs)

22. The authority citation for part 712 continues to read as follows:

Authority: 12 U.S.C. 1756, 1757(5)(D) and (7)(I), 1766, 1782, 1784, 1785, and 1786.

§ 712.5 [Amended]

23. Section 712.5(c) is amended by removing the words “Business loan origination” and adding in their place the words “Business loan origination.”

PART 715—SUPERVISORY COMMITTEE AUDITS AND VERIFICATIONS

24. The authority citation for part 715 continues to read as follows:

Authority: 12 U.S.C. 1761(b), 1761d, 1782(a)(6).

§ 715.5 [Amended]

25. Section 715.5(b) is amended by removing the words “$10 Million” before the words “which does not choose to obtain an audit” and adding in its place the word “$10 million.”

PART 716—PRIVACY OF CONSUMER FINANCIAL INFORMATION

26. The authority citation for part 716 continues to read as follows:


§ 716.4 [Amended]

27. Section 716.4(f)(1) is amended by adding the paragraph citation “(a)” after the words “requirements of paragraph” and before the words “of this section.”

§ 716.6 [Amended]

28. Section 716.6(e) paragraph heading is amended by removing the em dash after the word “Examples” and adding in its place a period.

PART 717—FAIR CREDIT REPORTING

29. The authority citation for part 717 continues to read as follows:


§ 717.3 [Amended]

30. Section 717.3(l) is amended by adding, in the definition of “Person”, a comma after the word “estate” and before the word “cooperative.”

§ 717.20 [Amended]

31. Section 717.20 section heading is amended by adding a period after the words “Coverage and definitions.”

§ 717.25 [Amended]

32. Section 717.25(b)(1)(v) is amended by removing the words “et seq” and adding in their place the words “et seq.”

§ 717.27 [Amended]

33. Section 717.27(c)(2) is amended by removing the words “et seq” and adding in their place the words “et seq.”

PART 721—INCIDENTAL POWERS

34. The authority citation for part 721 continues to read as follows:

Authority: 12 U.S.C. 1757(17), 1766, and 1789 1781.

§ 721.3 [Amended]

35. Section 721.3(f) is amended by removing the words “Web site” appearing in the second sentence and adding in their place the word “website.”

PART 722—APPRAISALS

36. The authority citation for part 722 continues to read as follows:

§ 722.2 [Amended]
37. Section 722.2(f)(2) is amended by removing the semicolon after the words “well advised” and before the words “and acting” and adding in its place a comma.

PART 741—REQUIREMENTS FOR INSURANCE
38. The authority citation for part 741 continues to read as follows:

§ 741.8 [Amended]
39. Section 741.8(c) is amended by removing the phrase “regional director” appearing in the penultimate sentence and adding in its place the word “NCUA.”

PART 742—REGULATORY FLEXIBILITY PROGRAM
40. The authority citation for part 742 continues to read as follows:

§ 742.4 [Amended]
41. Section 742.4 section heading is amended by removing the word “Relief” and adding in its place the word “relief.”

PART 745—SHARE INSURANCE AND APPENDIX
42. The authority citation for part 745 continues to read as follows:

§ 745.9–2 [Amended]
43. Section 745.9–2(a) is amended by enclosing inside the quotation marks the comma appearing after the words “adequately capitalized.”

Appendix to Part 745 [Amended]
44. In Appendix to Part 745:
a. Section D, Example 1 is amended by removing the citation “§ 745.10(a)(2) and 745.3.” appearing in the last sentence and adding in its place the citation “§ 745.10(a)(2) and 745.3.”
b. Section D, Example 5 is amended by removing the word “instrumentally” appearing in the second sentence and adding in its place the word “instrumentality.”

PART 747—ADMINISTRATIVE ACTIONS, ADJUDICATIVE HEARINGS, RULES OF PRACTICE AND PROCEDURE, AND INVESTIGATIONS
45. The authority citation for part 747 continues to read as follows:

§ 747.7 [Amended]
46. Section 747.7(a) is amended by adding the word “shall” after the words “his or her own counsel” and before the words “sign his or her individual name” in the second sentence.

§ 747.10 [Amended]
47. Section 747.10(c)(3) is amended by removing the word “processing” and adding in its place the word “proceeding”.

§ 747.31 [Amended]
48. Section 747.31 is amended by:
a. Removing in the first sentence in paragraph (a) the phrase “or such order time as parties may agree” and adding in its place the phrase “or such other time as parties may agree.”
b. Removing in the first sentence in paragraph (a) the phrase “the recourse and conduct of the proceeding” and adding in its place the phrase “the course and conduct of the proceeding.”

§ 747.39 [Amended]
49. Section 747.39(b)(2) is amended by removing the word “failure” and adding in its place the word “failed”.

§ 747.40 [Amended]
50. Section 747.40(a) is amended by removing the word “proceedings” appearing near the end of the sentence and adding in its place the word “proceeding”.

§ 747.203 [Amended]
51. Section 747.203(a) is amended by removing the words “notice of charges” and adding in its place the words “Notice of Charges”.

§ 747.207 [Amended]
52. Section 747.207 is amended by:
a. Removing the word “years” appearing in paragraph 3 of the form notice and adding in its place the word “year.”
b. Removing the words “Provided, however, That” appearing in paragraph 3 of the form notice and adding in their place the words “; provided, however, that”.

§ 747.302 [Amended]
53. Section 747.302(a)(1) is amended by:
a. Removing the phrase “represent the particular party or whose behalf he acts” appearing at the end of the first sentence and adding in its place the phrase “represent the particular party on whose behalf he acts”.
b. Removing the phrase “the satisfaction of the NCUA Board that he or she has the requisite qualifications” appearing at the end of the second sentence and adding in its place the phrase “the satisfaction of the NCUA Board that he or she has the requisite qualifications.”

§ 747.306 [Amended]
54. Section 747.306 is amended by:
a. Removing in paragraph (a) the words “within 30 days of service” appearing in the first sentence and adding in its place the words “within 30 days of service.”
b. Removing in paragraph (b) the words “state with particularly” appearing in the first sentence and adding in its place the words “state with particularity”.

§ 747.602 [Amended]
55. Section 747.602(e) is amended by removing the words “NCUA board” appearing in the last sentence and adding in their place the words “NCUA Board”.

§ 747.605 [Amended]
56. Section 747.605(e)(3) is amended by adding the word “and” after the semicolon appearing at the end of the sentence.

§ 747.606 [Amended]
57. Section 747.606(a)(3)(ii) is amended by removing the semicolon appearing at the end of the sentence and adding in its place a period.

§ 747.607 [Amended]
58. Section 747.607(a) is amended by removing the words “tax exempt” appearing in the first sentence and adding in their place the words “tax-exempt”.

§ 747.611 [Amended]
59. Section 747.611 is amended by removing the word “comment” at the end of the last sentence and adding in its place the word “comments”.

§ 747.616 [Amended]
60. Section 747.616 is amended by removing the words “Office of the Controller” wherever they appear and adding in their place the words “Office of Chief Financial Officer”.

§ 747.803 [Amended]
61. Section 747.803 is amended by:
a. Removing in paragraph (b)(1)(i) the word “Handling” and adding in its place the word “Mailing”.
b. Removing in paragraph (b)(1)(iv) the words “Mailing it be” and adding in its place the words “Mailing it by”.

Subpart J—Local Procedures and Standards Applicable to a Notice of Change in Senior Executive Officers, Directors or Committee Members Pursuant to Section 212 of the Act

§ 747.902 [Amended]

62. The heading for Subpart J is revised to read as set forth above.

§ 747.2003 [Amended]

§ 747.2003(b)(4)(iii) is amended by adding the word “to” after the word “deemed” and before the word “have”.

PART 790—DESCRIPTION OF NCUA; REQUESTS FOR AGENCY ACTION

§ 792.66 [Amended]

66. The authority citation for part 792 continues to read as follows:


§ 792.66 is amended by:

a. Adding paragraph (b)(1) the word “Investigations” and adding in its place the word “investigations” appearing at the end of the first sentence.

b. Removing in paragraph (b)(3) the word “Sections” appearing in the second sentence and adding in its place the word “sections”.

c. Removing in paragraph (b)(3) the word “Section” appearing in the third sentence and adding in its place the word “section”.

d. Removing in paragraph (b)(3) the semicolons and adding in their place a comma where ever they appear.

PART 793—TORT CLAIMS AGAINST THE GOVERNMENT

§ 793.4 [Amended]

68. Section 793.4(b)(1) is amended by adding the word “matters” after the word “sensitive”.

§ 792.12 [Amended]

71. Section 792.12(a)(1)(i) is amended by removing the comma after the words “foreign policy” and before the word “and” and adding in its place a semicolon.