



National Credit Union Administration  
Office of General Counsel

**TO:** NCUA Board  
**DATE:** October 13, 2020  
**FROM:** Office of National Examinations  
and Supervision  
**SUBJ:** Final Rule – Corporate  
Credit Unions (Part 704)

**ACTION REQUESTED:** NCUA Board approval to issue the attached final rule.

**DATE ACTION REQUESTED:** October 15, 2020.

**OTHER OFFICES CONSULTED:** OGC.

**VIEWS OF OTHER OFFICES CONSULTED:** Concur

**BUDGET IMPACT, IF ANY:** There is no estimated budget impact.

**SUBMITTED TO INSPECTOR GENERAL FOR REVIEW:** Yes.

**RESPONSIBLE STAFF MEMBERS:** Robert Dean, National Supervision Analyst, Office of National Examinations and Supervision; Rachel Ackmann, Senior Staff Attorney, Office of General Counsel.

**SUMMARY:** At its February 20, 2020 meeting, the NCUA Board (“Board”) proposed amending the agency’s corporate credit union regulation in part 704 of the NCUA’s regulations (“part 704”). The proposal provided for a 60-day comment period, which was later extended by 60 days due to COVID-19. The comment period ended on July 27, 2020. The final rule updates, clarifies, and simplifies several provisions of part 704, including: permitting a corporate credit union to make a minimal investment in a credit union service organization (“CUSO”) without the CUSO being classified as a corporate CUSO; expanding the categories of senior staff positions at member credit unions eligible to serve on a corporate credit union’s board; and amending the minimum experience and independence requirement for a corporate credit union’s enterprise risk management expert.

**RECOMMENDED ACTION:** The NCUA Board approve the attached final rule for publication in the *Federal Register*.

**ATTACHMENT:** Final rule.