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National Association of Federal Credit Unions | www.nafcu.org

May 29, 2014

Gail Laster
Office of Consumer Protection
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

RE: Associational Group Quality Assurance Review

Dear Mrs. Laster:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents federal credit unions, I write to you regarding the National Credit Union Administration's (NCUA) recent announcement that its Office of Consumer Protection is currently reviewing associational groups within federal credit unions' field of memberships to determine compliance with the associational common bond provisions of NCUA's Chartering and Field of Membership Manual. A number of our members have contacted us regarding this review process, and we are writing this letter to seek further clarification from NCUA on this matter.

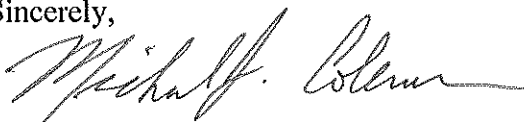
In April, the NCUA Board issued a proposed rule that would amend the associational common bond provisions of NCUA's Chartering and Field of Membership Manual. *See* 79 FR 24623 (May 1, 2014). Outside of the proposed rule's changes to the Chartering and Field of Membership Manual, the preamble section of the proposal highlights NCUA's ongoing associational group quality review process. This is the first instance, that NAFCU is aware of, where NCUA has publically announced this quality review process. It is NAFCU's understanding that this review process is already in place and is an ongoing program run by NCUA's Office of Consumer Protection.

NAFCU seeks guidance and clarity from NCUA as to how the agency is conducting this associational group quality assurance review. Specifically, we ask that NCUA explain which associations are subject to this review, and describe the methodology that the agency uses when selecting associations for this review. We also request that NCUA specify what documentation, if any, that the agency requires credit unions to submit during this review. Additionally, we kindly ask that NCUA provide a copy of any materials it sends to credit unions notifying them

that the agency is reviewing associational groups within their field of memberships, or direct us to where we could find these materials if they are publically available.

NAFCU appreciates your attention to this matter. Should you have any questions, please feel free to contact me at mcoleman@nafcu.org or (703) 842-2244.

Sincerely,

A handwritten signature in cursive script that reads "Michael Coleman". The signature is written in black ink and is positioned above the printed name.

Michael Coleman

Director of Regulatory Affairs

cc: Michael McKenna, General Counsel

Robert Leonard, Director of Consumer Access, OCP