

Jordan, Sheron

From: _Regulatory Comments
Sent: Thursday, May 10, 2007 10:23 AM
To: Jordan, Sheron
Subject: FW: VACU Comments on Proposed Rule Parts 748 and 749

From: Beverley Rutherford [mailto:beverley.rutherford@vacu.org]
Sent: Wednesday, May 09, 2007 3:57 PM
To: _Regulatory Comments
Subject: VACU Comments on Proposed Rule Parts 748 and 749

Thank you for the opportunity to comment on your proposed rules to clarify the obligation of federally-insured credit unions to maintain a records preservation program. I am responding on behalf of a \$1.4 billion state-chartered credit union located in Virginia.

Section 748.1

We generally agree with the proposed modification in the definition of "catastrophic act" to state that either physical destruction or damage to the federal credit union, as in the current rule, or interruption in vital member services lasting more than 2 business days would qualify. However, we feel the definition should be clarified to state "2 complete business days" or something similar to address those situations where the credit union may have been partially open the first day of a business interruption.

Section 749.1

We also ask that the Board consider clarifying two definitions: vital member services and vital records. We believe vital member services should include a statement that those listed vital member services may be available by any means the credit union can provide, including, but not limited to, check, ATM card, debit card, or cash. For the vital records definition, we believe the vital records should be as of the most recent day of "normal" operations or the most recent "completed" business day.

Regarding the need for Appendix B establishing guidelines for catastrophic act preparedness, we believe there are currently ample resources, guides, and opinion letters on the topic so the appendix is not needed.

Thanks again for the opportunity to comment on this proposal. Please feel free to call me with any questions about our responses.

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