

July 19, 2007

National Credit Union Administration
Mary F. Rupp, Secretary of the Board
1775 Duke Street
Alexandria, VA 22314-3428

Re: Proposed Rule IRPS 07-1

Dear Ms. Rupp,

Thank you for the opportunity to comment on the issue of Community Chartering for Federal Credit Unions.

As a representative of Community Source Federal Credit Union, a community charter credit union with just over 800 members, I believe that a community credit union should be allowed to merge with a multi-occupational credit union. The current regulation limits the choices of merger partners to other community charter credit unions except in an emergency. This limitation could prevent a community credit union from merging with a credit union that could best serve the needs of the members. The credit union should be able to choose the best credit union to serve its members rather than the one with the correct type of charter.

The exception for an emergency is not acceptable one. The credit union should make a merger a proactive step to enhance services for the members rather than a reaction to an emergency. An emergency merger could be perceived negatively by the members and the community.

I ask that the NCUA Board amend the regulation to allow a community charter credit union to merge into a multi-occupational credit union to improve the services available to the members of the community credit union.

The Board and members of the community credit union would be required to approve the merger under the current merger regulations. The charter of the continuing multi-occupational credit union could be limited to serve the members of record as of the date of the merger in order to ensure that all members continue to have service but to prevent the need for the multi-occupational credit union from changing its charter to community.

I am sure that the NCUA Board will carefully consider this with all of the comments that it receives on this important regulatory matter.

Sincerely,

Chairman



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