



Ent Federal Credit Union
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August 2, 2007

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

Subject: Ent FCU Comments on Proposed Rule IRPS 07-1

Dear Ms. Rupp:

Thank you for the opportunity to comment on the proposed adjustments in 12 CFR 701, Chartering and Field of Membership for Federal Credit Unions. Our comments relate to the subjects of Community Charter Mergers.

In particular, and based on our own analysis of merger opportunities we have considered, the constraint on retaining a combined field of membership where the merging credit union field of membership includes elements outside the partner credit union's community field of membership places Federal Credit Unions at a disadvantage. We are aware of state chartered mergers where the merging credit unions have been empowered to combine their respective fields of membership, retaining service options to a broader number of current and potential members. Some states even approve mergers with credit unions across state lines.

The Notice of Proposed Rule cites Congressional intent in the Credit Union Membership Access Act that the NCUA "apply its expertise to approve community charter applications for local communities that are conducive to [the credit union] mission, that are sized and structured in a way that assures the credit union's financial stability and long term viability, and where the applicant's proposal **demonstrates the ability to offer credit union service to as many people as possible**" (emphasis added). The denial of a combined field of membership for a merger involving a community credit union appears to contradict the highlighted goal of the NCUA chartering power.

In effect, denying a combined credit union Field Of Membership reduces the potential service area of the merged credit union to less than the two fields of membership separately. And for the merging credit union, this can mean the difference between a merger with a credit union financially and structurally able to offer expanded, safe, and

sound service to the entire field of membership and no merger at all, with the potential for reduced or terminated service to its existing membership.

For these reasons, we strongly urge the Board to reconsider and remove the constraint, restoring the capability of a merger involving a community credit union that would allow combining and continuing the mutual fields of membership. Please direct any questions about our position to me at (719) 550-6570, or to James Moore, Ent Senior Vice President for Corporate Communication and Development, (719) 550-6574.

Sincerely,

[Signed]

Charles F. Emmer
President and Chief Executive Officer