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AUG07'07 AM 6:50 BOARD

August 1, 2007

Ms Mary Rupp
Secretary of the Board
National Credit Union administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: NCUA Proposed Changes to 12 CFR Part 710 – Chartering and Field of Membership for Federal Credit Unions

Dear Ms. Rupp:

On behalf of the management and Board of Directors of 1st Financial Federal Credit Union I would like to take this opportunity to comment on the proposed changes to 12 CFR Part 701 – Chartering and Field of Membership for Federal Credit Unions.

As a credit union that has just completed the rigorous process of converting from a state community charter to a federal community charter, 1st Financial welcomes any clarification of the definition of the community that will be presumed by NCUA. The “part thereof” would have expedited the application of 1st Financial as we were not requesting the entire St. Louis MSA. The end result was that we were not granted the expansion into two small counties, one of which was in the existing state approved FOM although both of these counties are part of the St. Louis MSA.

1st Financial also supports the inclusion of specifics on the documentation that is required to be submitted in the application as this documentation is already being required, in practice. This data is not readily available and applying credit unions will more than likely have to purchase this research from a third party – 1st Financial eventually had to. Likewise, we have no objection to more specific information being included in the manual regarding the requirements and information to be contained in the business and marketing plans.

1st Financial vehemently opposes any publication and request for public comment of the charter application, not only in the *Federal Register* but in any venue for any period of time. Such publication would put additional encumbrance on the NCUA Board and staff, would add delays, and provide a forum for every application to be challenged. Missouri enacted a similar public

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comment period to its field of membership process in 1998. That change resulted in almost all expansion applications being challenged. In the 2007 session of the Missouri Legislature the publication requirement in the *Missouri Resister* was repealed. We cannot stress enough the magnitude of the negative impact this notice and request for public comment will have on the NCUA Board, the NCUA staff, and the applying credit union.

Regarding comments on proposed changes to the section on underserved areas, 1st Financial believes that the current rules are far too restrictive already and the proposed changes will further complicate the approval process. We feel that community credit unions along with multi-group credit union should be able to serve underserved areas. The ultimate goal is for everyone to have access to credit union services.

Thank you for the opportunity to comment on these proposed changes.

Sincerely,



Nina G. Pilger
President/CEO
1st Financial Federal Credit Union

CC: Chairman Johnson
Vice-Chairman Hood
Board Member Hyland