



THE ASSOCIATION *of*  
CORPORATE CREDIT UNIONS

*www.theaccu.org*

September 19, 2005

By e-mail to [regcomments@ncua.gov](mailto:regcomments@ncua.gov)

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

Re: Proposed Rule – 12 CFR 796 – Post Employment Restrictions

Dear Ms. Rupp:

The Association of Corporation Credit Unions (“ACCU”) is pleased to respond to the Request for Comments of the National Credit Union Administration (“NCUA”) with respect to its proposal to restrict certain senior examiners from employment with a credit union upon their departure from the agency. By way of background, ACCU is the primary trade association for the country’s corporate credit unions (corporates) located around the country. Corporates provide liquidity, investment products, payments settlement and other financial services to the nation’s federal and state-chartered credit unions.

The focus on ethical considerations by the NCUA, in the instant proposed rule, is laudable. The ACCU and its members support the highest standards of ethical conduct in business relations, and that includes matters surrounding the hiring of employees. However, the ACCU believes that former examiners possess skill and information that could greatly benefit credit unions, specifically in the area of compliance. We feel that the sharing of detailed knowledge of credit union operations and compliance should be allowed across sectors of the industry without unreasonable restriction.

The ACCU recognizes the possible appearance of a conflict of interest when a senior examiner goes to work with a credit union soon after the examiner’s tenure with the NCUA concludes. The ACCU would like to propose a compromise position. We would support a rule that allows the hiring of a former NCUA examiner by a credit union, but restricts that individual’s interaction with the NCUA for a reasonable period, possibly one year from the date of hiring. This compromise would respect the prerogative of management to enter into contractual arrangements

that are in the best interest of the credit union. Moreover, this compromise would not unreasonably hinder a former examiner's ability to pursue a livelihood after leaving the NCUA. The credit union movement as a whole is better served when proven expertise is retained rather than lost to other industries.

Again, we appreciate this opportunity to comment on the Proposed Rule and we applaud the NCUA Board and its staff for recognizing the importance of assuring that the highest ethical standards exist in our regulatory system. We look forward to the swift finalization of the Proposed Rule.

Very truly yours,

Michael F. Canning, Esq. CAE, CUDE  
Executive Director

Cc: ACCU Members