

**American Airlines
Federal Credit Union**

*Received
Bid
May 1, 2008
8:41 AM*

M. Tippetts
President & CEO

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VIA FACSIMILE 1-703-518-6319

April 30, 2008

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

RE: Comments on Advanced Notice of Proposed
Rulemaking for Parts 708a and 708b

Dear Ms. Rupp:

I am the CEO of American Airlines Federal Credit Union (AA Credit Union), and I am writing on its behalf. AA Credit Union is a federally chartered credit union with \$4.8 billion in assets, is the ninth largest credit union in the United States and has over 211,000 members located throughout the United States including Puerto Rico.

I am writing in response to the National Credit Union Administration's (NCUA) request for comment on the advance notice of proposed rulemaking (ANPR). The ANPR concerns member rights on mergers and conversion from a credit union charter among other issues.

I appreciate the NCUA's consideration of these issues based on the actions of a very few credit unions over recent years, its concerns about members not being fully informed in a merger/conversion process, members' rights in a conversion, and a credit union's transparency to its members. However, given the current downturn in the economic climate and consequently the many operational challenges that credit unions face, it is not a prudent time to issue more regulations.

Credit unions are already heavily regulated. Over the past 18 months, the NCUA has addressed members' rights through various amendments to its regulations including amendments to the conversion rules which strengthened member protections in Conversion of Insured Credit Unions to Mutual Savings Banks, 71 FR 77150, issued in December of 2006. These amendments raised awareness of member rights with members, credit union staff and especially a credit union's board of directors.

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145

Mary F. Rupp
April 30, 2008
Page 2

While I agree in spirit on enhancing transparency when a credit union converts, I urge the NCUA to hold off on issuing additional regulations at this time so that credit unions can focus on its operational needs. I believe that the NCUA is already equipped to handle abuses in the conversion process. When regulating credit unions, the NCUA needs to be mindful of its actions and not be lured into micro-managing a credit union's business affairs which can be very tempting in light of the actions of a very few credit unions.

10 12:34 817-931-6655
Thank you for the opportunity to comment on the ANPR.

Sincerely,

John M Tippetts

John M. Tippetts
CEO

cc: CUNA

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Thank you for the opportunity to comment on the ANPR.

Sincerely,

John M Tippetts

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