NORTH CAROLINA CREDIT UNION NETWORK

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NORTH CAROLINA CREDIT UNION LEAGUE • CREDIT UNION SERVICE CORPORATION • FIRST CAROLINA CORPORATE CREDIT UNION

October 11, 2005

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

OCT13'05 AM10:49 BOARD

VIA FACSIMILE (703) 518-6319

Re: Request for Comments on Proposed Bylaws Changes

The North Carolina Credit Union League (NCCUL) appreciates the opportunity to respond to NCUA's notice and request for comments on the Federal Credit Union (FCU) Bylaws. NCCUL represents 95% of North Carolina's 134 state and federal credit unions.

Background

NCUA is proposing changes to update, clarify, and simplify the Federal Credit Union (FCU) Bylaws. NCUA proposes these changes because numerous bylaw amendments approved by the NCUA Board over the past five years reveal the need to modify Bylaws or remove provisions that have become outdated or obsolete.

We appreciate NCUA's work in drafting the revisions to the fourteen areas which are addressed in the regulatory comment call. In addition to these areas we would encourage NCUA to consider drafting suggested language for inclusion in Federal Credit Union Bylaws governing a credit unions conversion to a Mutual Savings Bank.

NCCUL's Board of Directors recently adopted an official position regarding credit union conversions based on the work of the Credit Union Conversion Taskforce. We encourage NCUA to develop standard language for inclusion in a Federal Credit Union's Bylaws regarding the charter conversion process that is consistent with the position outlined below.

NCCUL's Position

The North Carolina Credit Union League strongly believes the member-owned; not-for-profit credit union charter is the charter of choice for providing the public with consumer-friendly affordable financial products and services and is the best alternative to the for-profit banking community.

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