



**NATIONAL CREDIT UNION ADMINISTRATION  
REGION I**

Charter #09484

---

**Letter of Understanding and Agreement  
By and Between  
The National Credit Union Administration  
and  
The Feather Flex Federal Credit Union**

---

This Letter of Understanding and Agreement sets forth significant adverse conditions identified by the National Credit Union Administration as a result of its Year 2000 Monitoring of the Feather Flex Federal Credit Union, and the agreements reached with the credit union's officials to resolve them.

The significant adverse conditions are that the board of directors failed to meet *or* make arrangements to meet the following Year 2000 milestone dates:

- December 31, 1998 - having the credit union's computer system substantially tested.
- January 31, 1999 - having the credit union's computer system fully renovated.
- June 30, 1999 - having the credit union's computer system fully tested.
- June 30, 1999 - having board of director approved Liquidity and Business Resumption Plans.
- July 31, 1999 - having the credit union's computer system substantially implemented.

The agreed upon actions and time frames are:

- The board of directors will continue with their efforts to seek a merger with a viable credit union by no later than July 16, 1999.
- The board of directors will consummate a merger with a viable credit union by no later than September 30, 1999.

The Regional Director will publish this Letter of Understanding and Agreement. It remains in effect until canceled by mutual agreement of the Feather Flex Federal Credit Union and the National Credit Union Administration or until it is replaced by another Letter of Understanding and Agreement.

**For the Feather Flex Federal Credit Union:**

*[Signature]*  
Chairman of the Board of Directors

7-1-99  
Date

*Vivian Lincoln*  
Treasurer

7-1-99  
Date

*[Signature]*  
Secretary

7-1-99  
Date

*Mary Barclay*  
Board Member

7-1-99  
Date

*[Signature]*  
Board Member

7-1-99  
Date

**For the National Credit Union Administration:**

*Kristine M. Patnode*  
Examiner

7-1-99  
Date

*Barbara A. Bettraw*  
Supervisory Examiner

7/1/99  
Date

*Anthony LaLata*  
Regional Director

7-13-99  
Date

H/CMP/BAB  
09484-H04