

Proposed Subpart C.

Proposed Subpart C requires insured credit unions that intend to merge into banks (both mutual and stock banks) to determine the merger value of the credit union and provide notice and disclosure of their intent to merge to their members and NCUA. It also requires insured credit unions to provide additional information to NCUA at various points in the merger process. These requirements are authorized under the Federal Credit Union Act, 12 U.S. C. §§1785(b)(1) and 1785(c). They are also necessary to ensure safety and soundness in the credit union industry, and to protect the interests of credit union members in the merger context.

(Use of collected information):

The information will be used by credit union directors to determine if they should adopt a plan of merger with a bank. The information will also be used by credit union members to determine if they wish to vote in favor of or in opposition to their credit union merging into a bank. It will also be used by NCUA to fulfill its statutory responsibility to approve or disapprove the merger.