



April 27, 2026

Ms. Melane Conyers-Ausbrooks
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

RE: Credit Union Service Contracts
(Docket No. NCUA-2026-0430; RIN 3133-AF96)

Dear Ms. Conyers-Ausbrooks:

On behalf of its member credit unions, the Cooperative Credit Union Association, Inc. ("Association") appreciates the opportunity to comment on the National Credit Union Administration (NCUA) Board's proposed rule on Credit Union Service Contracts. This proposed rule is one of six proposals issued as "Round Six" of the NCUA Deregulation Project. The Association is the state trade association representing nearly 200 state and federally-chartered credit unions located in the states of Delaware, Massachusetts, New Hampshire, and Rhode Island, which further serve over 5 million consumer members. The Association developed these comments in consultation with our members.

The Association supports the Board's proposal to delete the Section 701.26 Credit Union Service Contracts regulation as a superfluous compliance burden. Currently, Section 701.26 requires credit union service contracts, such as those between two or more credit unions who agree to share services to achieve more efficient economies of scale, to be in writing and to include a notice to "advise all parties subject to the agreement that the goods and services provided shall be subject to examination by the NCUA Board to the extent permitted by law," 12 C.F.R. § 701.26, such as:

PLEASE BE ADVISED THAT THE GOODS AND SERVICES PROVIDED
PURSUANT TO THIS AGREEMENT SHALL BE SUBJECT TO EXAMINATION BY
THE NCUA BOARD TO THE EXTENT PERMITTED BY LAW.


However, as the Board noted, NCUA does not have examination authority under law with respect to credit union vendors or credit union service organizations (CUSOs), and NCUA has examination authority over all federally-insured credit unions anyway. In addition, Section 107(1) of the Federal Credit Union Act independently authorizes federal credit unions to make contracts, 12 U.S.C. § 1757(1), and state Statute of Frauds laws typically require contracts with a value above \$500 to be in writing.

The Association therefore agrees with the Board that the Section 701.26 regulation is superfluous. Only federally-insured credit unions are subject to NCUA examination.

They do not need to be advised of that fact by contractual boilerplate language. We urge the Board to finalize this rule as proposed.

Thank you for the opportunity to comment on the NCUA Board's proposed rule on Credit Union Service Contracts. If you have any questions or desire further information, please do not hesitate to contact the Association at (508) 481-6755 or govaff-reg@ccua.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald McLean".

Ronald McLean
President/CEO
Cooperative Credit Union Association, Inc.
rmclean@ccua.org