

Merger database launch valuable for CUs: CUNA

ALEXANDRIA, Va. (10/22/10)—The Credit Union National Association (CUNA) on Thursday commended the National Credit Union Administration (NCUA) for launching its credit union merger partner registry, which was highlighted at the agency's Board meeting Thursday.

The registry provides the names of potential credit union supervisory merger partners and allows interested credit unions to search for potential merger partners nationwide or limit the search to within certain states or counties.

Searches may also be limited to within a certain radius of a given address. The registry was strongly recommended by the Credit Union National Association's Mergers Issues Working Group, chaired by Ohio Credit Union League President Paul Mercer.

NCUA officials during the meeting said that the merger database would provide a "good starting point" for credit unions that wish to merge "but don't know where to start."

NCUA Chairman Debbie Matz cautioned that not all merger database participants would be selected for mergers.

The merger registry and the overall merger process will also be discussed in a pending NCUA letter to credit unions.

The NCUA also reported on the status of troubled credit unions during its monthly insurance report. While many of the statistics were similar to those reported last month, the NCUA reported that the total number of CAMEL Code 4/5 credit unions increased by 14 and the number of CAMEL Code 3 credit unions increased by 16 since last month.

However, NCUA Chief Financial Officer Mary Ann Woodson noted that one of the new CAMEL Code 3 credit unions was a former Code 4/5 credit union that improved its financial condition. Overall, just over 18% of total insured shares are held in CAMEL 3 credit unions, and 5% of those same shares are held in CAMEL 4/5 credit unions, Woodson added.