ncuma.com

INSIDE THE MIND OF NCUA:

UNDERSTANDING THE AGENCY, THE PROCESS, AND WHAT'S AHEAD

Justin Anderson, Of Counsel

Disclaimer

These materials were prepared by the attorneys of SW&M, LLP. Although this presentation was prepared with care, it is not designed to be a complete or definitive analysis of the law in this area.

ncuma.com

Today's Speaker

Justin Anderson
Of Counsel

Credit Union Law • Compliance • Regulatory Examination Support • Capital Markets • Commercial Lending

- 17+ years with NCUA
- Litigation, regulations, FOIA, government contracting
- Subordinated Debt, regulatory capital, derivatives, investments, MBLs/commercial lending, payday loans
- One of the lead authors of the Subordinated Debt rule
- Joined SW&M in June 2025

SW&M FINANCIAL INSTITUTION ATTORNEYS

Agenda

- Leadership & Priorities
- Working with Examiners
- Steps Credit Unions Can Take
- Looking Ahead
- Q&A

INSIDE THE MIND OF NCUA

NCUA

- Agency Leadership and Changing Priorities
  - Changes in the Chairman's seat
  - Slaughter case – return to full board?
  - Changing priorities and directives
  - Agency staffing considerations – current environment and retirements
- What does this Mean for Credit Unions
  - Changes do not always filter down from the top to the examination staff
  - Stay abreast of changing priorities and policies
  - Comment on regulations – NCUA does listen
  - Stay within the chain of command, but do not be afraid to escalate things

NCUA

- Working with Examiners
  - Building a rapport – establishing trust and respect
  - Understanding what examiners are looking for and why
    - Directives from agency leadership
    - Fighting the last war
    - Gut feelings
    - Distinguishing between regulation and guidance
    - Try to understand what the worry is
    - Always tell the truth
    - If it wasn't written down, it didn't happen

NCUA

- They're just doing their jobs & you're doing yours
  - Don't take it personal
- If you don't know, pause (set a 24 hour expectation)
  - "I need to research that to make sure I'm giving you a complete picture"
  - "Let me make sure I'm giving you the right answer"
  - Don't make something up
- Check versions
  - Get to what is the right document/reference
  - Before giving documents, check if you're doing what the docs say

NCUA

- Recent Letter on Regulating through Enforcement
  - Enforcement actions shall only occur in the case of clear and significant violations of law or regulation.
  - If NCUA finds a harmful practice that threatens our mission or is otherwise injurious or abusive, and it is not currently addressed by law or regulation, then our next step is to consider rulemaking or other remedy.
- What Does this Mean for Credit Unions
  - Statutory mandate to take action for unsafe and unsound practices
  - How will this actually play out
  - Regulations take time – too much time to address certain practices

NCUA

- Participating in the rulemaking process
  - 1/3 review
  - EGRPRA
  - ANPRs and Proposals
- Comment letters are an effective tool if done correctly
  - NCUA reads every letter
  - Give well thought-out, meaningful comments
  - Provide sample language and clear rationales

QUESTIONS AND ANSWERS

CONTACT US

550 N. Brand Blvd., Ste. #550
Glendale, CA 91203

Justin.Anderson@swmllp.com

(818) 241-0103

https://swmllp.com

SW&M
FINANCIAL
INSTITUTION
ATTORNEYS