

September 22, 2014

The Honorable Debbie Matz, Chairman  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

Dear Ms. Matz:

The American Bankers Association (ABA) is writing you about Agriculture Federal Credit Union (AgFed).

AgFed states on its homepage that “Everyone is welcome. Join today.” (see attachment)

However, in a September 2013 letter to all federal credit unions about potential violations of common bond advertising requirements, the National Credit Union Administration wrote: “If your credit union is advertising that anyone, without limitation, is able to become a member of your credit union, then *you may be in violation of federal law and regulation.*”

Stating that everyone is welcome to join AgFed indicates this credit union is open to the public without limitation in violation of NCUA’s letter.

ABA requests that NCUA order AgFed to cease advertising everyone is welcome.

Moreover, AgFed is using CityDance to qualify people for credit union membership, who are otherwise ineligible for credit union membership. The credit union states on its membership page “Need another way to join? No Problem! Members of CityDance are among those eligible for AgFed membership. We’ve made it easy for you to join CityDance, which makes you eligible to join AgFed.”

A one-time \$20 donation to CityDance qualifies a person for membership in AgFed.

ABA does not believe CityDance meets the associational common bond requirement. ABA requests that the National Credit Union Administration perform a Quality Assurance Review of this organization to ensure that the group meets the associational common bond requirement. Until this review is completed, NCUA should prohibit AgFed from adding people, who are otherwise ineligible for credit union membership, through CityDance.

In closing, as ABA becomes aware of other examples of credit unions improperly circumventing field of membership requirements, ABA will notify NCUA of these improprieties.

Sincerely,



Keith Leggett  
Senior Vice President & Senior Economist

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