

■ 6. Revise the introductory text of paragraph (a) of § 704.19 to read as follows:

**§ 704.19 Disclosure of executive and director compensation.**

(a) *Annual disclosure.* A corporate credit union must annually prepare and maintain a disclosure of the dollar amount of compensation paid to its most highly compensated employees, including compensation from any corporate CUSO in which the corporate has invested or made a loan, in accordance with the following schedule:

\* \* \* \* \*

■ 7. Effective April 29, 2013, add a new § 704.21 to read as follows:

**§ 704.21 Enterprise risk management.**

(a) A corporate credit union must develop and follow an enterprise risk management policy.

(b) The board of directors of a corporate credit union must establish an enterprise risk management committee (ERMC) responsible for reviewing the enterprise-wide risk management practices of the corporate credit union. The ERMC must report at least quarterly to the board of directors.

(c) The ERMC must include at least one independent risk management expert. The risk management expert will have post-graduate education; an actuarial, accounting, economics, financial, or legal background; and at least five years experience in identifying, assessing, and managing risk exposures. The risk management expert's experience must also be commensurate with the size of the corporate credit union and the complexity of its operations. The board of directors may hire the independent risk management expert to work full-time or part-time for the ERMC or as a consultant for the ERMC.

(d) A risk management expert qualifies as independent if:

(1) The expert reports to the ERMC and to the corporate credit union's board of directors;

(2) Neither the expert, nor any immediate family member of the expert, is supervised by, or has any material business or professional relationship with, the chief executive officer (CEO) of the corporate credit union, or anyone directly or indirectly supervised by the CEO; and

(3) Neither the expert, nor any immediate family member of the expert, has had any of the relationships described in paragraph (d)(2) of this section for at least the past three years.

(e) The risk management expert is not required to be a director of the corporate credit union.

■ 8. Add a new § 704.22 to read as follows:

**§ 704.22 Membership fees.**

(a) A corporate credit union may charge its members a membership fee. The fee may be one-time or periodic.

(b) The corporate credit union must calculate the fee uniformly for all members as a percentage of each member's assets, except that the corporate credit union may reduce the amount of the fee for members that have contributed capital to the corporate. Any reduction must be proportional to the amount of the member's nondepleted contributed capital.

(c) The corporate credit union must give its members at least six months advance notice of any initial or new fee, including terms and conditions, before invoicing the fee. For a recurring fee, the corporate credit union must also give six months notice of any material change to the terms and conditions of the fee.

(d) The corporate credit union may terminate the membership of any credit union that fails to pay the fee in full within 60 days of the invoice date.

[FR Doc. 2011-10108 Filed 4-28-11; 8:45 am]

**BILLING CODE 7535-01-P**

**NATIONAL CREDIT UNION ADMINISTRATION**

**12 CFR Chapter VII**

[IRPS 11-1]

**Guidelines for the Supervisory Review Committee**

**AGENCY:** National Credit Union Administration (NCUA).

**ACTION:** Final Interpretative Ruling and Policy Statement 11-1, "Supervisory Review Committee" (IRPS 11-1).

**SUMMARY:** This policy statement combines two Interpretative Ruling and Policy Statements (IRPSs) and adds denials of technical assistance grant (TAG) reimbursements to the types of determinations that credit unions may appeal to NCUA's Supervisory Review Committee. This new IRPS will replace the earlier IRPSs addressing the Supervisory Review Committee.

**DATES:** This IRPS was previously issued as an interim final IRPS, which became effective on January 20, 2011.

**FOR FURTHER INFORMATION CONTACT:** Dave Marquis, Executive Director or Justin M. Anderson, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428, or *telephone:* (703) 518-

6320 (Dave Marquis) or (703) 518-6540 (Justin Anderson).

**SUPPLEMENTARY INFORMATION:**

**A. Background**

Pursuant to Section 309(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (Riegle Act), Public Law 103-325, § 309(a), 108 Stat. 2160 (1994), the NCUA Board (Board) adopted guidelines that established an independent appellate process to review material supervisory determinations, entitled "Supervisory Review Committee" (IRPS 95-1). 60 FR 14795 (March 20, 1995). Through IRPS 95-1, NCUA established a Supervisory Review Committee (Committee) consisting of three senior staff members to hear appeals of material supervisory determinations. IRPS 95-1 defined material supervisory determinations to include determinations on composite CAMEL ratings of 3, 4 and 5, all component ratings of those composite ratings, significant loan classifications and adequacy of loan loss reserves. The Board noted in the preamble to IRPS 95-1, however, that it would consider expanding the disputes covered by the Committee's review process at a later date. 60 FR 14795, 14796 (March 20, 1995). In 2002, the Board amended IRPS 95-1 by issuing IRPS 02-1, which added Regulatory Flexibility designation revocations to the list of material supervisory determinations credit unions may appeal to the Committee.

**B. Interim Final IRPS**

At its January meeting, the NCUA Board issued interim final IRPS 11-1. 76 FR 3674 (January 20, 2011). As noted in the preamble to the interim final IRPS, under Part 705 of NCUA's regulations, qualifying credit unions can apply for loans or technical assistance grants (TAGs) from the Community Development Revolving Loan Fund for Credit Unions (CDRLF). The change made in the interim final IRPS allows a credit union to appeal the denial of a TAG reimbursement to the Committee. Specifically, under the interim final IRPS, any credit union that disagrees with the Director of OSCUT's determination may, within 30 days from the date of the denial, appeal the determination to the Committee. Committee decisions on TAG appeals are final; they are not appealable to the NCUA Board. Interim final IRPS 11-1 also combined the two previous IRPSs addressing the Committee, IRPS 95-1 and 02-1, into one centralized document. The Board noted in the preamble that interim final IRPS 11-1

would supersede and replace the previous two IRPSs on the Committee. The Board also made the following minor changes in the interim final IRPS: Inclusion of current position titles; deletion of the requirement for quarterly meetings (meetings will be held on an as needed basis); and to make timing of appeal of Committee decisions to the NCUA Board consistent, inclusions of a statement that all decisions appealable to the Board are from the date of receipt of decision.<sup>1</sup>

### C. Summary of Comments

NCUA received three comments, two from credit union trade associations and one from a state credit union association. All three commenters generally supported the rule, but did request additional changes. All three commenters requested that appeals to the Supervisory Review Committee be more transparent. Ideas suggested by the commenters included publishing on NCUA's website the names of the committee members, the agenda and dates of committee meetings, an annual report of the committee's actions, and the decisions of the committee. NCUA is considering ways to make the appeals process more transparent, including adding information about the Committee and its functions to the NCUA website. The Board, however, does not believe it is necessary to include any actions related to transparency in this IRPS. The purpose of the IRPS is to inform credit unions of their rights of appeal to the Committee.

One commenter also requested that NCUA clarify how credit unions can appeal other supervisory and examination matters that are outside the scope of the Committee's review. Section B of this IRPS lists various NCUA regulations addressing procedures for other appealable issues. In addition, Section B notes that the Board serves as the final administrative decision maker for major disputes not covered by those other regulations or this IRPS. Such matters should first be pursued through the appropriate Regional Office or the Office of Corporate Credit Unions.

### Regulatory Procedures

#### *Regulatory Flexibility Act*

The Regulatory Flexibility Act requires NCUA to prepare an analysis to describe a significant economic impact agency rulemaking may have on a substantial number of small credit

unions. For purposes of this analysis, credit unions under \$1 million in assets are considered small credit unions.

This final IRPS expands the types of determinations that credit unions may appeal to the NCUA's Supervisory Review Committee and combines two previous IRPS. This final IRPS imposes no additional financial, regulatory or other burden on credit unions. NCUA has determined and certifies that this final IRPS will not have a significant impact on a substantial number of small credit unions. Accordingly, NCUA has determined that a Regulatory Flexibility Analysis is not required.

#### *Paperwork Reduction Act*

NCUA has determined that this final IRPS does not increase paperwork requirements under the Paperwork Reduction Act of 1995 and regulations of the Office of Management and Budget.

#### *Executive Order 13132*

Executive Order 13132 encourages independent regulatory agencies to consider the impact of their regulatory actions on state and local interests. In adherence to fundamental federalism principles, NCUA, an independent regulatory agency as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order. This final IRPS applies to all credit unions that appeal NCUA material supervisory determinations before the NCUA Supervisory Committee, but does not have substantial direct effect on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. NCUA has determined that this final IRPS does not constitute a policy that has federalism implications for purposes of the executive order.

#### *Assessment of Federal Regulations and Policies on Families*

NCUA has determined that this final IRPS will not affect family well-being within the meaning of Section 654 of the Treasury and General Government Appropriations Act, 1999, Public Law 105-277, 112 Stat. 2681 (1998).

#### *Small Business Regulatory Enforcement Fairness Act*

The Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104-121) provides generally for congressional review of agency rules. A reporting requirement is triggered in instances where NCUA issues a final rule as defined by Section 551 of the APA. 5 U.S.C. 551. The Office of

Management and Budget is currently reviewing this IRPS, but NCUA does not believe the IRPS is a major rule for purposes of the Small Business Regulatory Enforcement Fairness Act of 1996.

Accordingly, the interim final IRPS 11-1, which was published at 76 FR 3674 on January 20, 2011, is adopted as a final IRPS without change.

By the National Credit Union Administration Board on April 21, 2011.

**Mary F. Rupp,**

*Secretary of the Board.*

[FR Doc. 2011-10103 Filed 4-28-11; 8:45 am]

**BILLING CODE 7535-01-P**

## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

#### 15 CFR Parts 732, 738, 770 and 774

[Docket No. 100709293-1073-01]

RIN 0694-AE96

### Editorial Corrections to the Export Administration Regulations

**AGENCY:** Bureau of Industry and Security, Commerce.

**ACTION:** Final rule.

**SUMMARY:** The Bureau of Industry and Security (BIS) publishes this final rule to implement editorial corrections to the Export Administration Regulations (EAR). In particular, this rule corrects the country entry for Syria on the Commerce Country Chart to ensure that the license requirements are accurately represented. In addition, this rule corrects other errors in the Commerce Control List such as inaccurate references, spelling and technical errors, and removes superfluous wording to ensure accuracy in the EAR.

**DATES:** Effective Date: This rule is effective: April 29, 2011.

#### **FOR FURTHER INFORMATION CONTACT:**

Sharron Cook, Office of Exporter Services, Bureau of Industry and Security, by telephone at (202) 482-4890 or by e-mail at [sharron.cook@bis.doc.gov](mailto:sharron.cook@bis.doc.gov).

**SUPPLEMENTARY INFORMATION:** This final rule implements editorial corrections to four parts of the Export Administration Regulations (EAR), including several Export Control Classification Number (ECCN) entries. In particular, the Bureau of Industry and Security (BIS) publishes this rule to correct the country entry for Syria on the Commerce Country Chart to more clearly identify for exporters the licensing requirements that apply to this destination. In addition, this final rule

<sup>1</sup> Under IRPS 95-1, decisions were appealable 30 days from the date a Committee decision was issued and under IRPS 02-1 decisions were appealable 60 days from the appellant's receipt of a decision.