Dear Credit Union CEOs and Compliance Professionals,

Continuing on its **Deregulation Project** and our **prior communications**, the NCUA released new proposals outlined below. As previously mentioned, the NCUA will release **new proposals every two weeks** throughout 2026, systematically reviewing regulations to ensure they focus on credit union safety, soundness, and resilience.

***** Denotes proposals that apply to both federally chartered and state chartered federally insured credit unions.

Round 11 Proposals

***Thresholds Increase for the Major Assets Prohibition of the Depository Institution Management Interlocks Act Rule (12 CFR 711.3(c) and 711.6(b)(2))**

The NCUA is proposing to increase two thresholds in its regulation implementing management official interlocks for purposes of the Depository Institution Management Interlocks Act (DIMIA). The DIMIA fosters competition by prohibiting a management official of a depository organization from serving as a management official of another, unaffiliated depository organization to avoid possible anticompetitive effects. DIMIA has a major assets prohibition intended to capture circumstances in which the two organizations are large enough that the management interlock between them may have an anticompetitive effect, even when the institutions are not in the same community.

DIMIA provides that the NCUA may adjust the major assets prohibition thresholds to allow for inflation or market changes. This proposal would increase both major assets prohibition thresholds to $10 billion and would remove a presumption related to depository institutions controlled or managed by persons who are members of a minority group or women.

- Change 1: Increase the major assets prohibition thresholds for management interlocks in 12 CFR 711.3(c).

- Increases the thresholds to $10 billion (currently $2.5 billion and $1.5 billion, respectively) to account for inflation and growth in the banking market. This change will also align NCUA's regulations with the thresholds established for banks.
- Stated Impact: Fewer depository institutions would need to seek an exemption, reducing regulatory burden. The proposal may make it easier for credit unions with ≤$10 billion in assets to find qualified directors by removing the need to file exemption requests. Setting the two thresholds at the same level will streamline the regulations and simplify determinations of whether depository organizations are subject to the major assets prohibition.

- Change 2: Remove presumption in 12 CFR 711.6(b)(2).

- Eliminates the presumption an interlock won't result in a monopoly or substantial lessening of competition when the depository institution "is controlled or managed by persons who are members of a minority group or women."
- Stated Impact: Reduces the risk of Equal Protection issues and streamlines interlock requirements for credit unions by simplifying the requirements related to major asset prohibitions on management interlocks.

***Requirements for Insurance** **(12 CFR 741)**

This proposed rule would eliminate numerous provisions that point to provisions codified elsewhere in NCUA's regulations. The intended effect is to simplify the regulatory text and make it easier to navigate without altering the compliance obligations of federally insured credit unions.

These proposed changes are intended to reduce duplication and would not affect compliance with insurance requirements for federally insured state-chartered credit unions.

Your Requested Input

We want to hear from you. Do any of these proposals significantly impact your operations, positively or negatively? Do you have concerns about these deregulation efforts or suggestions that should be included in potential comment letters?

Please send your detailed feedback to Jeremy Newman, Vice President of Legislative and Regulatory Affairs at **jeremy.newman@nycua.org** by **June 29** for round eleven.

Thank you for your continued engagement.