



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING  
HARRISBURG

THE SECRETARY

May 8, 2003

To All Pennsylvania State-chartered Credit Unions:

On behalf of the Pennsylvania Department of Banking (the "Department"), I am pleased to announce to you that on December 9, 2002, Act 207 of 2002 was signed into law amending Title 17 of the Pennsylvania Consolidated Statutes, the Credit Union Code (the "Code"). These amendments were effective as of February 7, 2003.

Act 207 of 2002 amends the Code in order to ensure the ongoing utility, competitiveness, and viability of the Pennsylvania state credit union charter in today's modern financial marketplace and to permit Pennsylvania state-chartered credit unions to better serve present and future customers. Most importantly, Act 207 of 2002 provides Pennsylvania state-chartered credit unions parity with federally-chartered credit unions in regard to activities, field of membership requests, and investing in credit union service organizations, subject to a notice requirement.

A Pennsylvania state-chartered credit union seeking to take advantage of the parity authority contained in Act 207 of 2002 must provide the Department with 30-day prior written notice. The Department has developed a Credit Union Parity Notice form (the "Notice") that should be used to provide such notice to the Department. A copy of the Notice is attached for your convenience and is available on the Department's website at [www.banking.state.pa.us](http://www.banking.state.pa.us). Please be advised that the Department may place reasonable conditions, limitations, and restrictions on the conduct of parity activities by Pennsylvania state-chartered credit unions, including prohibiting a Pennsylvania state-chartered credit union from engaging in an activity or acquiring an investment if to do so would have a significant adverse impact upon the safety and soundness of the Pennsylvania state-chartered credit union.

All completed Notices should be submitted to Mr. John F. Woodward, Credit Union Administrator, Commonwealth of Pennsylvania Department of Banking, 333 Market Street, 16<sup>th</sup> Floor, Harrisburg, Pennsylvania 17101-2290. If you should have any questions regarding the completion of the Notice, please contact Mr. Woodward at (717) 787-7333.

In our supervisory and regulatory role, we at the Department look forward to working with you under the new statutory amendments provided by Act 207 of 2002.

Sincerely,

A handwritten signature in black ink that reads "A. William Schenck III".

A. William Schenck III  
Secretary of Banking

Enclosure:

Sample Credit Union Parity Notice