COASTAL24.com | 800-868-4262 | PO Box 99167; Raleigh, NC 27624-

July 6, 2021

Board of Governors of the Federal Reserve System
Attn: Ann E. Misback
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

RE: Comments on Proposed Guidelines for Evaluating Account and Services Requests, Docket No. OP-1747

Dear Ms. Misback:

Coastal Federal Credit Union is headquartered in Raleigh, NC with $3.8 billion in assets serving over 277,000 members. We appreciate the opportunity to provide comments regarding the proposed guidelines for evaluating requests for accounts and services with the Federal Reserve Banks. We believe that implementing standardized guidelines for all Reserve Banks for evaluation of such requests would help all financial institutions by increasing transparency and accountability for entities requesting to establish accounts or payment services with the Federal Reserve.

Coastal supports the implementation of uniform policies for all financial institutions, whether they be banks, credit unions, or fintech companies. With the constant development of new innovations in technology, standard request processes are essential to maintain consistent, safe, and efficient systems and services to ensure all institutions follow the same set of rules and are subject to similar regulatory guardrails.

We have seen unprecedented growth in the fintech industry which is subject to significantly less regulatory scrutiny than other financial institutions and therefore has the potential to engage in activities that are financially harmful to consumers, including charging higher fees and predatory lending practices. Coastal and other credit unions, as member-owned cooperatives, provide essential financial services and products to consumers who may be unable to access these services from sources at reasonable rates; failure to subject fintech companies to the same rules and processes as other institutions including credit unions could directly cause harm to vulnerable consumers and prevent credit unions from being able to continue to serve their membership effectively.

Coastal would like to thank the Reserve Board for its ongoing efforts to institute uniform procedures across the financial sector and we urge the Board to continue to pursue regulatory actions to ensure that credit unions retain every advantage to allow them to continue to provide services to their members.

Sincerely,

Jim Pack III
Chief Member Service Officer

Your savings federally insured to at least $250,000. National Credit Union Administration, a U.S. Government Agency. Equal Housing