

United States District Court
For the Northern District of California

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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

)	Case No. 13-1571 SC
)	
CHETCO FEDERAL CREDIT UNION,)	
)	ORDER GRANTING MOTION TO
Plaintiff,)	<u>SUBSTITUTE PARTY</u>
)	
v.)	
)	
CAPPY DOBBS, JUDITH ANN DOBBS,)	
CONE ROCK, INC., and DOES 1-100,)	
)	
Defendants.)	
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_____)	
CAPPY DOBBS, JUDITH ANN DOBBS,)	
and CONE ROCK, INC.,)	
)	
Cross-Complainants,)	
)	
v.)	
)	
CHETCO FEDERAL CREDIT UNION and)	
DOES 1-100,)	
)	
Cross-Defendants.)	
)	
)	
)	
_____)	

1 Plaintiff Chetco Federal Credit Union ("Plaintiff"), a
2 federally chartered and insured credit union, filed a complaint for
3 judicial foreclosure against the above-captioned Defendants
4 ("Defendants") on July 6, 2012. On July 9, 2012, Defendants filed
5 an answer and cross-complaint against Plaintiff, amending that
6 complaint on September 12, 2012, to allege that Plaintiff
7 improperly used proceeds from a Certificate of Deposit to set off
8 loan delinquencies.

9 Non-party National Credit Union Administration (the "NCUA") is
10 an independent agency of the federal executive branch, charged with
11 regulating federally chartered and insured credit unions like
12 Plaintiff. ECF No. 23 ("Mot. to Sub.") at 2. It placed Plaintiff
13 into involuntary liquidation on December 31, 2012, and appointed
14 itself Liquidating Agent, in which capacity it succeeded by
15 operation of law to all right, title, and interest in and to
16 Plaintiff as a credit union. See id. at 2 & Ex. A ("Notice of
17 Liquidation"); see also 12 U.S.C. § 1787(b)(2)(A)(i) (stating that
18 the NCUA, as Liquidating Agent, succeeds to all right, title, and
19 interest in and to credit unions that the NCUA has closed for
20 liquidation). The federal statute governing federal credit unions
21 gives the NCUA, as Liquidating Agent, the power to sue and be sued.
22 12 U.S.C. § 1789(a)(2). The NCUA now moves to substitute itself as
23 a party in this case, in Plaintiff's stead.

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Under Federal Rule of Civil Procedure 25(c), the Court finds that Plaintiff's interests have been transferred to the NCUA, which acts as Plaintiff's Liquidating Agent, and that the NCUA shall be substituted as the plaintiff and counter-defendant in this case.

IT IS SO ORDERED.

Dated: October 17, 2013



UNITED STATES DISTRICT JUDGE