From: Steve Higginson [SteveH@reliantfcu.com]
Sent: Monday, April 06, 2009 7:22 PM
To: _Regulatory Comments
Cc: John Dill; tgraham@suncorp.coop
Subject: Steven D Higginson - Comments on Advanced Notice of Proposed Rulemaking for Part 704

The Honorable Michael E Fryzel
Chairman, National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

The Honorable Rodney E Hood
Vice Chairman, National Credit Union Administration

The Honorable Gigi Hyland
Board Member, National Credit Union Administration

Re: Comments on ANPR for Part 704
Sent via email to: regcomments@ncua.gov

Dear Members of the NCUA Board:

I am writing on behalf of the 10,000 members of Reliant Federal Credit Union that reside in Central Wyoming. Our credit union is a member of SunCorp Corporate Credit Union and we couldn't be happier with the products, services, and actions of our corporate.

I find myself today more concerned with the sudden and unexpected actions taken by you than the meltdown of financial markets that have caused the write-down of mortgage backed securities by corporate credit unions. Where is your transparency? Why do you announce the takeover of two corporate credit unions on Friday afternoon at 5:30 p.m. Mountain Standard Time after three-quarters of credit union employees in America have gone home for the day? What are you trying to hide?

On the other hand SunCorp has provided more opportunities to participate in phone conferences, web conferences, and dialogue than my staff can possibly attend. Then they post to their website recordings of the conferences for me and my staff to attend at a later time, at our convenience. SunCorp doesn't appear to have anything to hide. Can you promise the same?

I ask you to leave my corporate credit union alone! No, they don't need to be broken up into pieces as I believe this will increase the costs of doing business to my members. No, the scope of my corporate credit union should not be changed. The members of Reliant FCU appreciate *all* the services provided by SunCorp. My board is universally opposed to contracting for those services though any banking organization that would make profits from our members, and then use those profits to fight the natural person credit unions they serve.

I believe the corporate credit union network has been able to provide the liquidity necessary for the credit union movement until the *world's* financial markets imploded. Recently one of your examiners recommended we look to the Seattle Home Loan Bank for additional liquidity needs. That would not have worked in this monetary market either. I beg you to not make hasty changes to a system that has worked for many years. Better yet, why not work together with representatives from corporate credit unions, natural person credit unions and associations, and regulators to define solutions to issues raised by this calamity?

I believe our corporate has a need for expanded investment authorities. I also understand that those expanded authorities may come with higher capital standards or some other protection. Again I ask that we work together to arrive at solutions and answers. I ask that you allow the owners of the corporate credit union network to determine how it is to be organized. I don't believe government should have a significant role in determining if there is a two-tier, three-tier, or one-tier corporate credit union system. Government's role, NCUA's role should be to help every credit union understand the risk of the tiers they invest in so they can take appropriate risk. And I might add that I believe NCUA failed miserably in its role in this regard.

I believe my corporate should be governed by the Board of Directors, duly elected by the members of the corporate. Government, I believe, is not well suited to run business. I'm tired of your efforts to ask the "executive compensation" question a thousand different ways, hoping to get a different answer. Executive compensation for a business should be between the executive and the Board of Directors and should never be the role or an issue of government! Anyone who wants to know my salary can run for the board. Maybe this will stimulate interest in being a credit union volunteer!

I endorse completely the comments submitted by my corporate credit union, SunCorp. I am fascinated by government's, and quite frankly NCUA's, sudden attempts to legislate or regulate ***all*** risk out of the marketplace. Socialism worked so well in the USSR! I urge you and implore you to let the marketplace calm down, approach the changes we may need with caution and due diligence, and work with all interested parties to make our credit union industry remain viable, productive, and profitable. Get out of the vacuum and let's fix this mess without jumping to conclusions or creating more problems than we solve! This is the credit union industry. We can make this work if we work together.

I look forward to your responses.

Sincerely,

Signed

Steven D Higginson
CEO, Reliant Federal Credit Union

Cc: John Dill, President, Credit Union Association of Wyoming
Thomas R Graham, President and CEO, SunCorp