From:	Paul Chappell
To:	_Regulatory Comments
Subject:	Nucor Employee"s Credit Union
Date:	Monday, February 22, 2010 12:38:27 PM

Ms. Mary Rupp
Secretary of the Board
NCUA
1775 Duke Street
Alexandria, VA 22314-3428

Ref: Proposed Rule for Corporate Credit Unions, 12 CFR Part 704, Response

Dear NCUA Board:

I am writing on behalf of my credit union in response to the proposed rule for corporate credit unions. I appreciate the work the NCUA does for us credit unions and for helping us to be safe and strong for our member/owners. It is my firm belief that we should still have a corporate credit union system. The credit unions, my credit union included, desperately needs and depends on our corporate every day. Please consider my comments concerning the proposed rule for corporate credit unions as follows:

Extinguishment of Capital: It seems as if our corporate's capital accounts and subsequently most of the capital that we, natural person credit unions, held in our corporate was taken based on an estimate of loss. There should definitely be made a way to return the capital to the corporates and then to natural person credit unions if it is determined that the losses were overestimated. This was ultimately our member's money. If no provision is made to return any portion of the capital if the losses were over estimated, then this is not correct. I would even consider it thievery.

Liquidity: A corporate credit union should not have a term limit imposed upon it when borrowing for liquidity reasons; either its own or its member credit unions.

2-Year Weighted Average Life Limit: A 3 year WAL limit would allow a corporate options in managing its portfolio to a target range of 2 years. If we calculated average assets on a 12 month average assets basis then the cash flow would take into account the seasonal nature some corproates may experience. A 3 year limit makes more sense.

Perpetual Contributed Capital: A corporate board should maintain the authority to call perpetual contributed capital at its sole discretion if all minimum capital requirements are met or exceeded.

Regulator's Discretion to Require Higher Capital Standards: NCUA should not be able to subjectively determine alternative capital standards. Corprates and the member credit unions should be able to analyze and evaluate their own corporates stability in light of the PCA provisions.

Limit on Depository Institution for Overnight Funds : The limit would force our corporate to have deposits in maybe 40 different institutions. Not only would this be difficult to manage but it would force our funds to be placed with lower rated institutions. A better rule would be to limit overnight deposits into a single institution to 100% to 200% of capital.

Director Term Limits: I am not a fan of director term limits at our corporate. Corporates are complex financial institutions. I believe the member credit unions should determine who runs the corporates without term limits. However, if limits are a must then 9 year terms make more sense. There is much to become familiar with and a lot of work must take place in order to gain a good working knowledge of to be a effective director. I feel term limits will "dumb down" our corporates.

Phase-In Timeline: There has to be a minimal amount of time to phase in these new rules once enacted. If not virtually all corporates will not be in compliance once approved. There needs to be an appropriate transition period for corporates to comply.

Thank you for your time and for your consideration.

Sincerely,

Paul Chappell, Manager
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