



February 22, 2010

Mary Rupp,
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: NCUA Part 704 Regulations

Dear Ms. Rupp,

I am a volunteer Board Member of People's Choice Federal Credit Union in Lincoln, Nebraska and am writing to voice concerns with NCUA's proposed Part 704 Regulations. While I confess I have not read the 253 page proposed regulation in its entirety, I wanted to comment on some of the provisions I am aware of.

While changes are needed from the existing 704 regulations to strengthen capital, tighten asset liability management and encourage more diversification of investments, there are other aspects of proposed 704 that harm natural person credit unions in our business relationship with corporate credit unions.

I am opposed to the proposed board requirements that would eliminate volunteer members serving on corporate boards. Volunteerism is the cornerstone of the credit union movement; the proposal in 704 to require board members to be a CEO, CFO, or COO flies in the face of that basic premise. Likewise, 6 year term limits will cause constant turnover in board members and will eliminate the institutional knowledge of the board.

Corporate Credit Unions provide a valuable service to NPCUs; the proposed 704 will result in less product availability at higher prices, lower deposit rates and will force NPCUs to look for other providers who may not have the viability and sustainability of the credit union movement as its main interests.

Please take more time to evaluate the consequences of 704, consider the effects on NPCUs and include corporates in the discussion of how to operate their businesses.

A handwritten signature in blue ink that reads "Terry T. Wagner".

Terry T. Wagner, Board Member
People's Choice Federal Credit Union



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