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March 4, 2010

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

RE: Proposed Corporate Credit Union Regulation 704

Dear Ms. Rupp:

I believe there is something fundamentally wrong with part 704.2 of the proposed regulation that would require corporate credit unions to PERMANENTLY deplete capital based on ESTIMATED losses created by OTTI.

The Board of Directors and senior management of this credit union are well aware of the losses taken due to OTTI at Southwest Corporate Federal Credit Union and strongly object to those losses to the members of this credit union being made permanent under someone's subjective valuation of their investment portfolio.

I am aware of no accounting necessity to incorporate this into a regulation.

Sincerely,

Melissa Matherne
CFO