

March 4, 2010

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

Dear NCUA Board Members:

Summit Credit Union is a \$125 million credit union with over 21,000 members and depends on the corporate credit union system daily. The services offered by the corporate credit union system are important to Summit Credit Union and the credit union movement as a whole.

The Board and Executive Management team feel the current NCUA proposal will force the demise of the cooperate credit union system. We have several issues with the proposal as outlined by the cooperate credit union system. In particular, we have two critical issues.

First, the cash flow mismatch limitation that would match the cash flows of a corporate credit union's assets and liabilities will not allow corporates to generate sufficient earnings. Unless this rule is modified, the corporate system will not be able to comply with the retained earnings requirements that are also included in the proposal. We also disagree with the NCUA statements that indicate corporate credit unions have the capacity to raise the fees that member credit unions pay for corporate services in order to achieve the retained earnings requirement.

The second critical issue pertains to the need to isolate new member-contributed capital from possible future losses arising from the existing mortgage-backed securities (i.e., legacy assets) that are owned by corporate credit unions. Legacy assets must be isolated in order to facilitate corporate credit union recapitalization.

On behalf of the over 21,000 members we serve, please do not force us into the hands of the banking industry to obtain the financial institution services vital to the future of the credit union movement. This is a very important time in the history of good and noble industry. The credit union industry is in the hands of your Board. Be smart. Do the right thing. A lot of people are depending on you!

Sincerely,

Jack Thornton

Jack Thornton
Chairman of the Board

Sincerely,

Sam Whitehurst

Sam Whitehurst
President/CEO