



Greenville
Federal
Credit Union

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March 5, 2010

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

Dear Ms. Rupp:

The corporate credit union failures in early 2009 had a major impact on our credit union. We lost almost \$500,000 in capital that we had invested, which represents a significant amount for a credit union our size.

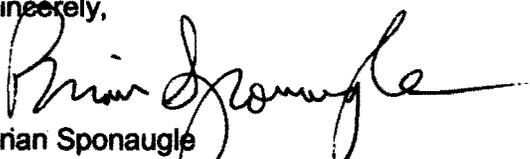
However, despite our past loss, we remain willing to recapitalize First Carolina Corporate Credit Union if the Proposed Rule for Corporate Credit Unions (12 CFR Part 704) is amended. My concern is that the proposed rule, in its current form, does not seem to provide for sufficient earnings for our corporate, or for any other corporate.

I believe that the corporate credit union crisis was a product of mismanaged credit risk from sub-prime mortgage bonds and excessive investment sector concentration risk. The proposed rule correctly addresses the above concerns, but I believe goes too far by addressing ALM issues that did not cause the crisis.

I request that the Board amend the proposed rule to allow for the corporate credit unions to conduct term borrowing when it is done for its own or for its members' liquidity purposes. I also ask the Board to re-evaluate the 2-year weighted average life (WAL) of a corporate credit union's investment portfolio because this is too restrictive. I believe a 3-year WAL would provide the additional flexibility needed and provide for an acceptable level of spread.

My credit union is confident that the NCUA will amend this rule to provide the corporate credit unions with the tools necessary to manage their spreads to a reasonable profit so that they can continue to provide credit unions with the services that we have used for so many years.

Sincerely,


Brian Sponaugle
Vice President Branch Operations

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