



LAKEHURST NAVAL
FEDERAL CREDIT UNION

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March 2, 2010

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

Dear Ms. Rupp:

Thank you for the opportunity to provide comments on the NCUA's proposed Regulation Part 704 concerning the role of the Corporate Credit Union Network and its structure. As a small credit union, Lakehurst Naval Federal Credit Union relies on our Corporate Credit Union for key operational services such as payments, settlements and liquidity. Without the Corporate, these costs would fall on more expensive third party vendors. The new regulation would make it harder for the Corporates to give us value as well as survive. It does not seem to present a plausible business model.

We recommend that in order to maintain a stabilized Board, it takes time to understand the Corporate operations as it relates to our credit union so we are in favor of increasing term limits. We also believe that retained earnings be included in capital calculation or is returned to members.

Our strength as a movement has been to work cooperatively for the benefit of the whole. It is important to have a regulation that allows us a framework to continue to support the success of a strong credit union movement.

Sincerely,

Phyllis Zarko
CEO

Frances Elliott
Chairman, Board of Directors



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