

**From:** [Mike Enright](#)  
**To:** [Regulatory Comments](#)  
**Cc:** [Kristine Heuer](#)  
**Subject:** Corporates  
**Date:** Tuesday, March 09, 2010 5:15:34 PM

---

NCUA,

As a small credit union, we rely on our corporate for many services, as well as providing advice and information. While all corporates should be run responsibly and be held to standards that reflect the need for safe guarding financial assets, the corporates themselves should also have the ability to remain competitive with similar financial service providers. If the NUCA unduly restricts or regulates the corporates beyond the other banking institutions service providers, than how can they retain our business and remain viable. I would agree that some controls need to be put in place to reduce competition between corporates and risk adverse, but a structure to remain competitive within the market place needs to be maintained.

We require our corporate to provide competitive and safe investment rates, as well as short and long term loan products. Without these core services we would be forced to utilize other institutions for our own stability, liquidity, and ROA. We also take advantage of the training and other services Corporate Central provides. If The NCUA restricts the corporates so severely that can not remain competitive, then in essence the NUCA will force credit union to get many of their services in the competitive market place. If other credit unions fail to support the corporates then more corporates will suffer greater losses in both capital and in revenue, which will in turn cause the NUCA to require a greater commitment to the Stabilization assessment and will ultimately lead to more credit union failures along with even more corporate failures.

I believe that the NUCA does need to safeguard the financial system better than it has, however, they should be prudent not restrict the corporate system beyond their ability to compete with the market place. Many credit unions simply do not understand that simply withdrawing from the corporate system does not absolve them from having to pay for any more losses that the corporate system in general suffers. We are all in this together still, and if we are going to support the system, then it better make fiscal sense to do so.

Thanks,

Mike Enright  
CEO  
Cities Credit Union  
651-426-3773  
[mikee@citiescu.org](mailto:mikee@citiescu.org)

[www.citiescu.org](http://www.citiescu.org)