From: Susie West
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To: NCUA

Subject: Comments on Proposed Corporate Credit Union Regulations

Please find below areas of concerns with the proposed revisions to part 704

1. Legacy assets – What role should NCUA have had in place to mitigate the risks of these legacy assets? Diversification to protect investments is taught in class 101, why would NCUA allow so many mortgage-backed securities in one basket? Asset concentration should have sent up a red flag years ago, what can NCUA do to regain our trust and respect? If the legacy assets have future recoveries, are there any plans to feed the recoveries back to the credit unions that bailed them out?

2. The NCUSIF insures member' shares to $250,000, if this amount was reduced back to $100,000 would that give some relief to the NCUSIF and the recapitalization of corporate credit unions? The vast majority of our member's wouldn't require $250,000 of insured funds, NCUA could obtain the number of members this reduction would have an effect on through past call reports.

3. At a time when we are tightening our belts on expenses and consolidating employee positions, NCUA is out hiring more examiners. We don't need more examiners, we need more effective examinations. Target the credit unions (corporate or natural) that are sending up red flags, so the examiners can focus their attention on the troubled ones. Call reports are an effective tool to monitor credit unions as to their effectiveness in today's economy. Examine credit unions that are well managed, well capitalized and with low delinquency on a less frequent basis, so that they are able to keep costs down while targeting the credit unions that need their services.

4. There should not be a term limit on board members. We need a well-qualified and diverse board, and a quality board member only improves their contributions with experience. The nominating committee should be responsible for finding qualified candidates that bring years of credit union experience and investment knowledge to the table. The boards actions and directions should be review by NCUA.

5. We must have alternatives to the delivery systems that U.S. Central provided to VACorp. We understand that VACorp's new business model is looking to replace all services provided by U.S. Central; our credit union needs to have a back-up plan should this not materialize. With the pressure and constraints placed on corporate credit union to maintain adequate capital and recapitalize the NCUSIF, fees for products and services may force us to look at other non-cooperative venues. Pray we don't have to turn to banks for solutions that would be a terrible step for the credit union movement.