



December 4, 2010

National Credit Union Administration
ATTN: Mary Rupp, Secretary
1775 Duke Street
Alexandria, Virginia 22314-3428

101 Marietta Street
Suite 140
Atlanta, GA 30303
(404) 965-2740
FAX (404) 965-2745
www.hsecu.org

Dear Ms. Rupp:

Thank you for the opportunity to write about the proposed rules regarding the Corporate Credit Union network. As a CEO of a smaller asset credit union and loyal corporate credit union supporter and participant, I have watched my credit union's expenses expand to never-before levels with the NCUSIF 'contributions' and have unprecedented concerns for our industry. For the purpose of this letter, I have narrowed my immediate concerns to three separate areas as listed below.

1. Limiting natural person credit unions to participating in only ONE corporate. This is so mind-boggling it is hard to begin, but IF NCUA's concern is that one credit union might have too much invested with one corporate then the new rule that mandates corporate credit unions to no more than 15% of its assets from any one credit union seems to have addressed that concern. I believe that using more than one corporate is smart and personally, I find the diversity to be a sound business practice. With the 15% total participation in any one corporate AND the only ONE corporate rule...that would force us to use other sources outside of the credit union network...not a healthy option if we want to stay united...and definitely not a wise perception of the regulator to limit their liability at the cost of the natural person credit union.
2. Recapitalization of Corporate Credit Unions will be required. I understand the need and am very certain that you wish higher capital criteria had been in practice over the past several years... I simply pray that you give some leniency when a corporate has demonstrated positive action to reach the required level but falls short...hopefully a 3 or 6 month window to achieve the goal. Many corporate credit unions are starting from zero, or near, and it would seem to be counter-productive to the whole industry to impede forward motion and again, make the natural person credit unions (i.e. the PEOPLE/members) pay.
3. Finally, with the amount of loss, and number of failures (5 out of 27) I am amazed that as a regulator, NCUA has not issued any restriction on directors at the failed corporates to serve on other corporate credit union boards or as any of the chief executive officers. It has been my experience that NCUA is not hesitant in natural person credit unions to bar a CEO with questionable experience or who NCUA has caused to leave from employment at another federally chartered credit union...I believe there should be a similar stipulation for the corporate network.

I am proud to serve a smaller asset credit union...approximately \$25 million...and believe not only in the credit union industry but in its principles and diversity. It is of grave concern that some of the remedies may indeed cause many natural person credit unions to cease to be in existence and indeed, I've already seen the rush to merge. The prediction that there will be only the super large credit unions left open for business should also be of concern to NCUA...and while I do not believe the 'rumors' that NCUA is out to rid themselves of the smaller asset-sized credit unions....that may be the unintended consequence.

Sincerely,


Elaine Robbins, CCUE
President/CEO

...where membership matters