

✓



Financial Horizons Credit Union
Lifetime Banking Solutions

December 21, 2010

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

Re: Notice of Proposed Rulemaking for Part 704 – Corporate Credit Unions

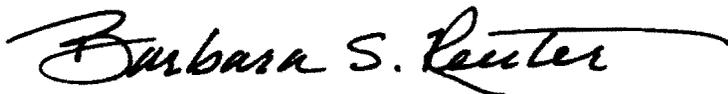
Dear Ms. Rupp:

I am writing on behalf of Financial Horizons Credit Union, serving over 9300 members in the state of Nevada.

My credit union board was taken aback when reading your agency's proposed changes in 704.21 regarding the *Equitable Distribution of Corporate Credit Union Stabilization Expenses*. What most shocked us was the very concept of your federal agency attempting to, in effect, extort funds from us by asking a third party to take the action of "expelling" us from a corporate credit union. My board is confident that you have no legal right to attempt to charge us via a "voluntary payment" for losses that occurred in your fund and not our fund with American Share Insurance (ASI). We disclose prominently that we are not backed by the full faith and credit of the US government as required by law, so why would we help pay for losses sustained by an agency of the US government? I feel that you would not reciprocate should ASI be in a similar position!

I would appreciate you sharing our credit union's objection with your Board and chairman.

Respectfully submitted,



Barbara S Reuter
President/CEO

Main Office - 895 Sierra Way P.O. Box 2288 Hawthorne, Nevada 89415 (775) 945-2421
Yerington Office - 201 N. Main Street Yerington, Nevada (775) 463-7842
Fallon Office - 2711 Reno Hwy Fallon, Nevada (775) 428-6768
(866) 310-6999 www.fhcurv.org



Financial Horizons Credit Union

Lifetime Banking Solutions

December 21, 2010

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

Re: Notice of Proposed Rulemaking for Part 704 – Corporate Credit Unions

Dear Ms. Rupp:

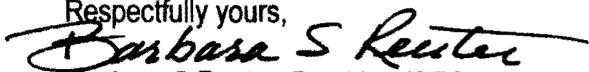
As the President/CEO of Financial Horizons Credit Union, a privately-insured credit union with branches in four rural communities in Nevada. I would like to voice my strong opposition to the NCUA's proposed amendment that pretty much forces us, as well as other non-federally insured credit unions, to help pay for the NCUA's losses in the five conserved corporate credit unions.

As a privately insured institution, our credit union is not under the regulatory control of the NCUA, nor are our deposits insured by this federal agency. As such, our credit union and other privately insured credit unions are not bound by contract with the NCUA, nor are we required by state law to have to pay for federal share insurance losses. It is my view that the manner in which the so-called "voluntary contributions" that the NCUA seeks from us and other non-federally insured credit unions (including credit union leagues and credit union service organizations), is an attempt to place an ultimatum on us. The concept reinforces our decision to have left the federal program for private insurance.

This attempt by the NCUA to extract funds from privately insured credit unions to pay for the corporate losses is obviously a case of this federal agency stepping out of its legal boundaries. By doing this, the NCUA is effectively taxing non-federally insured credit unions by requiring this "voluntary contribution" be paid to the TCCUSF. The potential for legal proceedings and legal expenses looms over the horizon, and should be avoided altogether by removing this unreasonable requirement from the final amendments to the proposed corporate rules.

Since our credit union depends on the services from our corporate credit union and we value our relationship with them, we certainly hope your agency will reconsider the amendments as proposed.

Respectfully yours,



Barbara S Reuter, President/CEO

Main Office - 895 Sierra Way P.O. Box 2288 Hawthorne, Nevada 89415 (775) 945-2421
Yerington Office - 201 N. Main Street Yerington, Nevada (775) 463-7842
Fallon Office - 2711 Reno Hwy Fallon, Nevada (775) 428-6768
(866) 310-6999 www.fhcunv.org

Financial Horizons Credit Union

Lifetime Banking Solutions

December 21, 2010

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

Re: Notice of Proposed Rulemaking for Part 704 - Corporate Credit Unions

Dear Ms. Rupp:

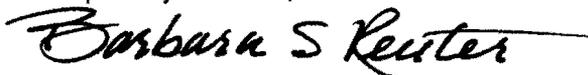
Financial Horizons Credit Union is a state chartered, non-FICU, operating in the state of Nevada. Certainly the entire credit union system has and is experiencing challenging times that are unprecedented, and NCUA's proposed amendments concerning Rulemaking for Corporate Credit Unions also are unprecedented.

The TCCUSF was created by Congress to assist with the financial burden in association with the losses incurred in the NCUSIF. The TCCUSF clearly states that "... the Board (NCUA) shall assess each federally insured credit union a special premium..." in order to make the assessment due to the TCCUSF. This federal law is very clear that the charge is to be to federally insured credit unions. Accordingly, does the proposed rulemaking not avert federal law?

As a privately insured credit union, our financial institution must also clearly state that we are not federally insured and not backed by the full faith and credit of the US government. Our institution receives no benefit from NCUA, the TCCUSF or the federal government, and I cannot comprehend that we would be required to make a "voluntary" contribution to a fund that experienced losses of which we are not affiliated. In addition, NCUA paid dividends for many years, and our credit union never received any monetary payouts from the NCUSIF.

As a member in good standing with our corporate, our credit union should not be subject to expulsion due to losses with the federal insurance fund, particularly since we have no affiliation or legal responsibility with NCUA, NCUSIF or TCCUSF.

Respectfully submitted,



Barbara S. Reuter
President/CEO

Main Office - 895 Sierra Way P.O. Box 2288 Hawthorne, Nevada 89415 (775) 945-2421
Yerington Office - 201 N. Main Street Yerington, Nevada (775) 463-7842
Fallon Office - 2711 Reno Hwy Fallon, Nevada (775) 428-6768
(866) 310-6999 www.fhcunv.org



Financial Horizons Credit Union
Lifetime Banking Solutions

December 21, 2010

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

Re: Notice of Proposed Rulemaking for Part 704 – Corporate Credit Unions

Dear Ms. Rupp:

I am writing on behalf of Financial Horizons Credit Union who has been privately insured through American Share Insurance of Dublin, Ohio since 1976. After reading the proposed amendments to Part 704, I am very concerned regarding your agency's attempt to seek voluntary contributions from non-federally insured credit unions (non-FICUs) to the Temporary Corporate Credit Union Stabilization Fund (TCCUSF).

Federal law requires privately insured credit unions disclose that they are not backed by the full faith and credit of the US government, and they receive no direct benefit from the NCUA, the TCCUSF or the federal government. Accordingly, I am confused as to why the NCUA believes non-FICUs should be required to pay for losses sustained by an agency of the US government. As an investor in a corporate credit union, our credit union should have the same rights to participation and membership as any other participating credit union, and should not be subject to expulsion simply for failure to make a voluntary contribution.

I appreciate the opportunity to express my comments on the proposed changes.

Respectfully submitted,



Barbara S Reuter
President/CEO



Financial Horizons Credit Union
Lifetime Banking Solutions

December 21, 2010

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

Re: Notice of Proposed Rulemaking for Part 704 – Corporate Credit Unions

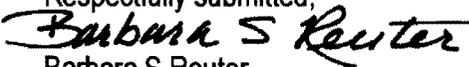
Dear Ms. Rupp:

I am President/CEO of Financial Horizons Credit Union, a state-chartered, privately-insured credit union with four branches in rural Nevada totaling \$131M in assets. I am very concerned and against the proposed regulations under Part 704. I cannot believe that an agency such as the NCUA, who has no regulatory control over our credit union, nor insures the deposits of our credit union, can attempt to circumvent federal law through rulemaking.

Since the Temporary Corporate Credit Union Stabilization Fund (TCCUSF) was created by federal law and is a government entity, the NCUA is effectively taxing non-FICUs by requiring a "voluntary contribution" be paid to the TCCUSF. Non-FICUs are not bound by contract with the NCUA, or required under their respective state statutes, to pay for federal share insurance losses. Accordingly, the NCUA has no regulatory or contractual authority over non-FICUs. Making non-FICUs pay the TCCUSF premiums would be like forcing a FICU to pay FDIC premiums if they plan to use the services of an FDIC-insured bank that is facing premiums due to losses in other FDIC-insured banks.

Our credit union is quite dependent on services, and values our relationship with, our corporate credit union. I hope your agency will reconsider the amendments as proposed.

Respectfully submitted,



Barbara S Reuter
President/CEO

Main Office - 895 Sierra Way P.O. Box 2288 Hawthorne, Nevada 89415 (775) 945-2421

Yerington Office - 201 N. Main Street Yerington, Nevada (775) 463-7842

**Fallon Office - 2711 Reno Hwy Fallon, Nevada (775) 428-6768
(866) 310-6999 www.fhcunv.org**