



January 14, 2011

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

VIA E-MAIL: regcomments@ncua.gov

RE: **Comments on Notice of Proposed Rulemaking
Part 704 – Corporate Credit Unions**

Dear Ms. Rupp:

The Greater Minnesota Credit Union, representing approximately 21,000 members, respectfully offers the following comments to the National Credit Union Administration's (NCUA's) proposed rulemaking for Part 704 – Corporate Credit Unions. The credit union appreciates the opportunity to comment on the NCUA's proposed rule and applauds the time and effort already invested by the NCUA in the reform of the corporate credit union structure. The credit union does, however, have some concerns over certain items in the proposed rule.

Limiting Membership to One Corporate Credit Union

The credit union is concerned regarding the prohibition of a natural person credit union from maintaining membership in more than one corporate credit union. Natural person credit unions rely on corporate credit unions to provide, among others, many of the settlement services and payment processing for natural person credit union members. Natural person credit unions strive to provide these services to their members with the best quality and at the best price that can be provided. This credit union is concerned that with the prohibition upon maintaining more than one membership, the ability to “shop” for the best quality and price will be limited. In addition, limiting a natural person credit union to membership in one corporate credit union will hinder the ability of a natural person credit union to switch membership to a different corporate credit union as coordinating the change of payment processing and settlement services and other services to another provider all within a fairly short timeframe may be difficult.

One-time and Periodic Membership Fees

The credit union is also concerned over the periodic membership fees that corporate credit unions may charge their member credit unions. Natural person credit unions already provide capital to corporate credit unions when they become a member.

Requesting further capital through periodic membership fees will put additional strain on natural person credit unions already providing both capital to corporate credit unions and capital to the Corporate Credit Union Stabilization Fund. In addition, should a natural person credit union only be allowed membership in one corporate credit union and a corporate begin charging periodic fees; it will be difficult for a natural person credit union to switch membership to another corporate credit union due to the system changes and timing required to do so.

Disclosure of Compensation

The credit union generally agrees with the proposed rule regarding disclosure of the compensation of certain highly compensated corporate credit union employees, including compensation from any corporate credit union service organization in which the corporate credit union made an investment or a loan. Full disclosure avoids any implied notion that employees are acting in a way that is not in the best interest of the corporate credit union and its members. This credit union feels that the disclosure should be made to the member owners and not released to the general public.

Again, the Network appreciates the opportunity to comment on the NCUA's proposed rule. Thank you for your consideration of the Minnesota Credit Union Network's comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Ahlness". The signature is fluid and cursive, with a large initial "S" and "A".

Steve Ahlness
President/CEO

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