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January 18, 2011

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 Boulder Dam Credit Union, serving over 22,000 members in Boulder City, NV.

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, American Share Insurance (ASI).

Our choice to become privately insured in 1990 was not completed without careful consideration of the pros and cons associated with both choices. In the end, our choice to become privately insured was decided based on the accountability that ASI has to its insured member credit unions who have an active, and educated role, in the governance of ASI. We believe that this governance structure, and accountability, is the chief reason ASI has weathered the economic storm better than their federal counterparts. We have maintained our private insurance for over 20 years despite the fact that our deposit insurance has historically been more expensive than had we been federally insured.

We chose to belong to the Corporate Credit Union network and were quite aware that our member capital account was at risk. We fully realized this risk when WesCorp was taken into conservatorship in 2009 causing a loss to our credit union in excess of \$4,500,000. We accepted this loss on our books without question, despite our concerns that NCUA maintained a physical presence at WesCorp for several years prior to the ultimate failure of the institution. Considering the circumstances, for the NCUA, or any deposit insurer for that matter, to arbitrarily attempt to mandate additional assessments to non-affiliated third-parties is at best ludicrous, and at worst extortion.

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? We are fairly confident 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,

A handwritten signature in black ink, appearing to read "Eric D. Estes".

Eric D. Estes
Manager