Viriva Community Credit Union
157 York Road
Warminster, PA 18974

January 28, 2011

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

Re: Corporate Credit Unions

Dear Ms. Rupp:

On behalf of the board and members of this $69 million state chartered credit union I submit the following comments on those areas of the proposed second round of regulations aimed at corporate credit unions (CCU's) in which I believe changes are needed:

Section 701.5, Membership Limited to One CCU

This appear to be a knee-jerk reaction to the past problems caused by those CCU's who took full advantage of their expanded investment powers and will be a detriment to those natural person credit unions (NPCU's) who opt to continue to use the services of a CCU. Competition is a necessity in today's business world, as it results in fair pricing and contractual transparency. I strongly favor removal of this limitation.

Section 704.15(b)(2), Audit and Reporting Requirements

I believe that requiring a CCU with assets in excess of $1 billion to engage an independent public accountant to examine, attest to, and report separately on the assertion of management concerning the effectiveness of the CCU's internal control is over-kill and not cost-justifiable, especially given the regulatory changes already mandated in the first round of amendments.

Section 704.15(d), Supervisory Committee

Further clarification of the term "independent" is necessary, as the regulation should not exclude a CEO or CFO of a NPCU from serving on any volunteer CCU committee or board.

Section 704.21, Equitable Distribution of CCU Stabilization Expense

I object to passing along such expenses to CUSO's and trade organizations comprised of federally insured NPCU's, as this is akin to double taxation.

Section 704.22, Enterprise Risk Management

Requiring the board of a CCU to create an enterprise risk management committee that includes a risk management expert with post-graduate education and significant experience in identifying, assessing and managing risk exposures crosses the line between "managing" a CCU, versus "regulating" one. This requirement is much too stringent and should be removed.

Conclusion

Realizing that the NCUA board has a difficult task in rewriting the corporate regulations I truly appreciate the opportunity to express my opinion and wish you the best in crafting a fair and balanced final regulation.

Sincerely,

James F. McCaw
President/CEO