



September 27, 2011

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

Re: Comments to the Proposed Amendments to the NCUA Regulations
re: CUSOs 12 CFR Parts 712 and 741

Dear Ms. Rupp:

On behalf of the board and management of Mid-Atlantic Corporate Federal Credit Union, we appreciate the opportunity to provide our comments on the agency's proposed changes to Parts 712 and 741 of NCUA Rules and Regulations.

Mid-Atlantic does not support the proposed requirement that would require all CUSOs to file reports directly with the NCUA. NCUA currently has the authority to inspect the books and records of CUSOs, and has requirements in place to insure that CUSOs are established in a manner that will limit the credit union's exposure. Additionally, NCUA regulations require corporates to monitor investments in CUSOs. The NCUA already has access to this information through regulatory oversight and the data is routinely reviewed.

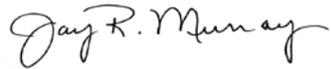
Mid-Atlantic does support the proposal that would make it a condition of federal share insurance credit unions to require their CUSOs to agree to continue to allow access to its books and records, and require CUSOs to have an annual financial audit. Simply stated, it makes good business practice.

The NCUA cannot review CUSOs solely based upon their financial statements. Marketing and consulting CUSOs are significantly different than mortgage or payment CUSOs, and their balance sheets prove it. Not all CUSOs are designed to generate income and may be considered successful simply because they drive business to a credit union.

Corporate owned CUSOs are restricted under regulation 704 to approved services that can be performed in a CUSO. Furthermore, those CUSOs may be limited to ownership restrictions. Mid-Atlantic encourages the NCUA to balance the restrictions placed upon Corporates and natural person credit unions so that the regulations are consistent within the credit union industry.

Thank you for the opportunity to comment on this proposal. As a corporate credit union and an owner of several CUSOs, we understand the importance of these issues and appreciate the opportunity to share our thoughts.

Sincerely,

A handwritten signature in black ink that reads "Jay R. Murray". The signature is written in a cursive style with a large, stylized "J" and "M".

Jay R. Murray
President/CEO

Cc: The Honorable Debbie Matz, Chairman
The Honorable Michael Fryzel, Board Member
The Honorable Gigi Hyland, Board Member