From: Wayne Mansur
To: _Regulatory Comments
Cc: Wayne Mansur; syashewski@tcul.coop
Subject: FW: Comments on Notice of Proposed Rulemaking for Part 741, Maintaining Access to Emergency Liquidity
Date: Friday, September 28, 2012 6:11:58 PM

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(the first mail I sent indicates it was rejected; therefore I am sending this again.)

National Credit Union Administration
RE: Rulemaking for Part 741, Maintaining Access to Emergency Liquidity

Dear Sirs/Madam:

The proposed Rulemaking for Part 741, Maintaining Access to Emergency Liquidity must be changed for various reasons. The need for liquidity is not a solution that should be solved in a Regulation. Natural person credit unions must maintain options for liquidity solutions.

First, it makes little sense to exempt credit unions under a specific asset level, in this case under $50 million. The need for liquidity is driven by the amount of loans to shares/assets and treasury demand; not asset size. Liquidity is not a function of how many (or few) assets the credit unions has under management. Clearly a $50 million credit union with a high loans/share ratio (say 95%) needs a liquidity solution. By contrast a credit union with a low loan/shares ratio (say $500 million credit union with a 65% loans to shares ratio) does not need to be concerned with responding to this Rulemaking. I am curious what the NCUA is really attempting to achieve in this Rulemaking.

Second, I am applying a principle I learned when I was an ole farm boy. Don't let the fox be the watchdog of the chickens. There is a conflict of interest in having the NCUA serve both as the Regulator and the agent providing the liquidity. It makes more sense to allow the credit union to determine its sources of liquidity, not the Regulator. Why does the NCUA want to prohibit the credit union's board of directors to use the Federal Home Loan Bank (and other options) for liquidity management? It appears that there is a hidden agenda in this proposed Rulemaking.

Third and final, I am tired of so many Regulations that cause so many **unintended consequences**. I want to believe that the intentions behind this Rulemaking are pure, good and helpful; but the outcome of too many Rules and Regulation is painful, harmful and yields little benefit in the marketplace. This ongoing Rulemaking makes for a lot of busy work for credit unions who don't need the rule. The "one size fits all" is overly burdensome.

My recommendation is to rework the Part 741 Maintaining Access to Emergency Liquidity proposed rule.

Respectfully,
/s/

L. Wayne Mansur
President & CEO
Our Vision: We are building a community
where everyone is given the
tools to become R.I.C.H.
Ready - **I**ndependent - **C**haritable - **H**appy
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