

To whom it may concern:

This letter is in regards to proposal 701 that would modify the operations of home based federal credit unions. Your proposal would force us to disband.

Our credit union, the Troy Area School Employees FCU, has a limited customer base. We seek only to service the employees of the Troy Area School District. We only offer savings accounts, and loans less than \$10,000, and have no intent to offer additional services. We only wish to be used as a benefit to the employees. Your proposal would force us to make cuts that would make us unable to attain this goal. Because we do not seek to maintain a large profit, we are able to offer our customers higher interest rates. If we could no longer do this, we would lose accounts. We do fewer than 20 transactions per week. If we had to pay both rent and an employee to man the space, the cost would not be worth the business done.

We understand your concern for the supervisory, operational, and privacy risks. We follow all federal regulations, are audited regularly, and have not been found negligent in these areas. All of our money is kept at federally insured banks with physical locations. If there is a concern over theft, there is nothing here to steal. With the concern over privacy, there would be a greater risk leaving the documents unattended in a public building. To reduce cost, we would have to reduce hours available at the public location. Although locked, a person with intent would have more time to access those records than they would at a private residence that is occupied day and night.

Chairman Matz noted that most young credit union members would prefer to be able to do their banking online and not at someone's residence. Although this maybe the case if we were their primary bank, our customers understand our view of being a benefit and not a primary bank and use us accordingly. Even though our credit union is based out of a residence, all transactions take place at a building within the school district and the credit union has a designated email and phone line to set up meetings for these transactions.

Finally, there is concern over the safety of the auditors. We certainly would never want to put someone in harm's way. Wouldn't a neutral site be a better proposition? A space rented for a few days of auditing would be cheaper than forcing a credit union to change permanent residence.

Please, rescind this proposal. Your intentions may be good and positive but the results for us would be negative.

Sincerely,

Troy Area School Employees FCU Board of Directors

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