

January 23, 2014

VIA E-MAIL TRANSMISSION
regcomments@ncua.gov

Mr. Gerald Poliquin,
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

***Re: Notice of Proposed Rulemaking for Part 701
Requirements for Contacts with Federal Credit Unions.***

RIN 3133 – AE34

Dear Mr. Poliquin:

I am writing in regard to the proposed rule that all FCUs obtain a business office, not located on the premise of a private address within two years of the final rule effective date. Specifically, I am respectfully requesting the NCUA withdraw its proposed rule, as the requirements would paralyze this credit union and effectively remove small home-based credit unions from the collective credit union map.

Our credit union serves 754 members, all of whom own this credit union. A loyal group of volunteers that have worked long and hard to build an institution nearly \$4 million in assets guides us with good governance. The credit union is well capitalized, sitting strong with a loan/share ratio of some 90% and a nearly consistent 0% delinquency loan ratio coupled with the same 0% charge off ratio. Without question, a good indication that we serve our members effectively from our home based location. We accomplish this strong financial position by keeping our operating expenses as low as possible, and by promoting good financial sense to our members. The rule, if passed, would significantly increase our operating expenses, and consequently, negatively affect not only our 754 members but also the financial health of the credit union.

Furthermore, I am concerned with the section of the proposal that will order examiners to conduct business in a public environment. Recognizing the need to offer an examiner safe surroundings is commendable, but I question why this cannot be accomplished on a case-by-case basis. In other words, if an examiner deems a private residence unsafe, he/she can arrange to meet in a public place, at his/her discretion. I respectfully request that NCUA consider the added burden this will bring to conscientious home-based credit unions, particularly concerning the safety of credit union officials in transporting records and the confidentiality fears when moving private records off site.

Finally, I am compelled to provide comment that the proposed rule unfairly describes the typical home-based credit union. The notion that "many" home-based credit unions will store records

near basement water heater tanks is out of place, and to suggest that a commercial office will "ensure" FCU contacts will occur in a professional and safe setting is flawed.

Thank you for taking the time to read this letter. Our credit union is proud of what we have achieved over the years and proud of the difference we bring to our members and the financial industry.

Sincerely,

A handwritten signature in cursive script that reads "Marilyn Sullins". The signature is written in dark ink and is positioned above the typed name.

Marilyn Sullins, Manager
Aldersgate Federal Credit Union