

CORPORATE CREDIT UNION
Alliance

August 2, 2017

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

Dear Mr. Poliquin:

Thank you for the opportunity to comment on the proposed rule changes to 12CFR 704 for Corporate Credit Unions as published in the Federal Register on July 3, 2017. For your information, the Corporate Credit Union Alliance is a membership association of eleven corporate credit unions with cumulative assets exceeding \$19.4 billion.

We support the proposed changes to 704.2 including the newly added definition of retained earnings, as well as the proposed changes to calculations of retained earnings and tier 1 capital. In our opinion, the proposed rule quite properly maintains incentives for building retained earnings within corporate credit unions, while recognizing members' full value of their permanent capital investment in corporate credit unions.

The Alliance also supports proposed changes to the definition of retained earnings to include "the retained earnings of any acquired capital of an acquired credit union" (i.e. equity acquired in a merger).

On behalf of the corporate credit union community, thank you once again for the opportunity to comment.

Sincerely,



Jane C. Melchionda
Chairman, Executive Committee
Corporate Credit Union Alliance