

From: Margaret Burkholz [margaretb@primesourcecu.org]
Sent: Monday, February 02, 2009 5:14 PM
To: _Regulatory Comments
Subject: Comments on Advanced Notice of Proposed Rulemaking for Part 704

Margaret Burkholz
9707 N. Nevada St
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February 2, 2009

Mary Rupp
Secretary to the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Dear Ms. Rupp:

Dear Ms. Rupp,

Thank you for allowing me to respond to this new development. I personally am not worried of the impact this may have on my credit union.

I am however, worried what it will do to the cooperative of credit unions as a whole.

I feel this is certain to impact a number of credit unions so negatively, that they will no longer be able to provide their members a credit union.

As you are aware, credit unions are shrinking annually from impacts of the economy and yes some through in effective management. However, the shrinking number impacts us all in one way or another.

It is my opinion that my members are going to have an even more difficult time swallowing this appropriation of funds more than I do. When the economy is as weak and frazzled as it is, it will be a challenge for all credit union's to maintain member confidence.

With all this said, I would like to see the NCUA review the method in which you are going to take funds away from my credit union members; which would be to transfer premiums from reserves instead of through the balance sheet. This would have less negative effect on our ROA, and wouldn't affect our net earnings. Another option would be to make the write down portion a loan.

Thank you for your time and consideration.

Sincerely,

Margaret Burkholz