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Michael C. Swalley
President/CEO

One James River Plaza
P.O. Box 26646
Richmond, Virginia 23261-6646
(804) 771-3495
(804) 771-3768 FAX
michael.swalley@dom.com



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Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

RE: Advanced Notice of Proposed Rulemaking to 12 CFR Part 704 regarding
Corporate Credit Unions

Dear Ms. Rupp,

On behalf of the Board of Directors and member-owners of Dominion Credit Union, I am writing to give our opinion on certain NCUA's proposals, as follows:

Role of Corporates in the Credit Union system

We agree that it may be time to consider eliminating the two-tier system of Corporates and also spinning off of the settlement and payment functions. Regarding the restructuring of Corporate Boards, we see little benefit in mandating such restructuring which will happen on its own as surviving Corporates are themselves restructured.

Liquidity and Liquidity Management

Liquidity management is a core service for natural person credit unions of our size (\$199M at February 2009) and for most all of those smaller. While other options exist, trust must be at the core of the relationship and that trust is not easily found in other outside business partners. It is difficult for smaller credit unions to negotiate lines of credit and to find a place to put overnight money that they can trust.

Accordingly, in providing liquidity management Corporate credit unions need to be able to invest in products specializing in this niche; a niche that few natural person credit unions have.

Capital Requirements

Risk based capital requirements would be appropriate for institutions that have adopted different approaches to the risks posed by various loans and investments. This is as true of Corporate credit unions as it is of natural person credit unions.

Corporate Governance

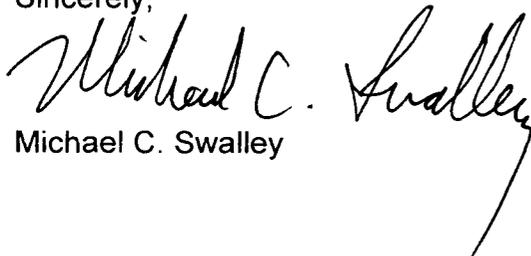
We see little evidence that the bulk of current problems of certain Corporates were the result of faulty Board of Director oversight, or that better governance would result from potential directors having beefier resumes before they assume the mantle of leadership.

It is our view that in large part these Boards are composed of dedicated credit union professionals with great experience, insight, and technical knowledge. Requiring outside paid volunteers would create two tiers of board members; one of volunteer professionals who are mostly CEOs of natural person credit unions, and the other of paid "smart guys" who are supposed to add the sophistication that the volunteers lack.

In fact, I believe combination would be detrimental to credit unions. My experiences with these "smart guys" from Goldman Sachs and the institutions teaching various bond math schools is that they are indeed smart, but their primary devotion is how to put credit union money in their own pockets with little regard for the needs of credit union clients. Their knowledge and experience is indeed valuable, but it is best put to use as paid employees of credit union organizations where their loyalties will be clearer.

Thank you for the opportunity to comment.

Sincerely,



Michael C. Swalley