

Save Columbia Credit Union Committee

Exercise Your Member Rights

SaveCCU founded to protect and preserve the rights of CCU credit union members

Because credit unions are democratic, member-owned cooperatives, members have the power to direct credit union policy.
World Council of Credit Unions (WOCCU)

April 30, 2008

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

Re: "Comments on Advance Notice of Proposed Rulemaking for Parts 708a and 708b

Dear Ms. Rupp:

Save Columbia Credit Union Committee appreciates the opportunity to comment on and support the NCUA's Advance Notice of Proposed Rulemaking regarding corporate governance issues .

Save Columbia Credit Union Committee (SaveCCU) is a member advocacy group formed in 2003 in response to the attempt to convert our credit union to a mutual savings bank.

We believe that credit unions are unique financial institutions: established originally as not-for-profit financial cooperatives, owned by their members. Credit unions embody grassroots democracy, however, this democratic model has dimmed over time. The basic tenet that credit union philosophy is all about 'people helping people' is in real danger of becoming nothing more than inspirational marketing designed to create a 'brand'. Where credit unions are today is a far cry from their humble beginning.

The following is a brief summary of items recently published in the credit union trade journals. They paint a chilling picture of what has happened to credit union members who have raised their voices in, what would appear to any reasonable person, legitimate dissent.

March 13, 2008: Odessa, Texas

First Basin Credit Union Seeking to Depose Members

'... For the second time, a credit union which tried to convert to a bank and failed appears willing to use the legal process to punish members who opposed the conversion attempt....'

April 21, 2008: Del Norte Credit Union, New Mexico

Expelled Supervisory Committee Member Says Credit Union Expelled Him for Investigating

Joe Gutierrez was expelled from the supervisory committee and both he and his wife were expelled from credit union membership. He '... had been leading the supervisory committee to question recent activities by some credit union board members....'.

April 25, 2008: Fresno, California

United Local Credit Union Votes to Remove Board Member

'...after he (Tom Rotella) simultaneously opposed a proposal to close a branch and questioned a DFI audit that found exception with loan terms granted to the board chair...'

Credit unions across the country can bring the full power of 'their' legal and financial resources to bear against any member who questions or dissents. This is an upside-down distribution of power and it is not in the best interest of the credit union community to allow it to continue.

We believe that the regulations need to be clarified regarding members rights to transparency and accountability. If the governance issues raised in this proposed rulemaking are not adequately addressed now, they will do little to correct the imbalance of power that currently exists.

Members will continue to be removed for simply exercising their rights as owners of their financial cooperatives.

Sincerely,

Save CCU Committee Board (2008) <http://saveccu.com/index.htm>

Kathryn Edgecomb, President

Cathryn Chudy, Vice-President

Robert Tice, Secretary

Tamara Tice, Treasurer

Genny Kortez

Lloyd Marbet

The year 2003 was the beginning of a journey by a group of ordinary people who found themselves engaged in a series of extraordinary events. The story of this long journey can be found at the SaveCCU website: <http://saveccu.com/index.htm>. The SaveCCU litigation documents can be found at: <http://doug2.com/saveccu/>