



T H E M I L I T A R Y C O A L I T I O N

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Alexandria, Virginia 22314
(703) 838-8113

March 3, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
Main Treasury, 1500 Pennsylvania Ave, NW
Washington, DC 20220

Dear Secretary Geithner:

The Military Coalition, a consortium of nationally prominent military and veterans associations representing more than 5.5 million active duty, Guard, Reserve, retired and former members of the uniformed services, plus their families and survivors, urges your immediate action to ease a significant financial burden being imposed on America's military credit unions by the National Credit Union Administration (NCUA). The NCUA's plan to immediately restore the National Credit Union Share Insurance Fund to its maximum operating level will cause member-owned credit unions to forfeit nearly \$5 billion in order to replenish losses incurred by "corporate" credit unions.

This poses an unfair penalty on military members and families by robbing essential resources from the roughly 90 military credit unions, including some of the world's largest, that provide low-cost financial services to military members and families around the world. Credit unions play a particularly crucial role in the military community by giving hard-pressed families much-needed options for financial literacy and alternatives to usurious payday lenders.

The NCUA's unfair requirement would force almost half of all military credit unions into the red, which would mean degraded services, reduced loan opportunities, reduced savings returns, and higher loan rates for millions of military families who depend on their local credit unions for essential financial services.

I urge you most strongly to use the authority of your office to prevent imposing this unfair burden on blameless credit unions and their military family "owners", who already have had to bear a grossly disproportional share of national wartime sacrifice. They should not be forced to assume this extra measure of financial sacrifice to bail out other institutions' bad investments.

Sincerely,

The Military Coalition
(Signatures enclosed)

cc:
NCUA Chairman Michael Fryzel
NCUA Vice Chairman Rodney Hood
NCUA Board Member Gigi Hyland

Air Force Association
Air Force Sergeants Association
American Logistics Association
Association of Military Surgeons of the United States
Association of the United States Army
Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard
Commissioned Officers Association of the U.S. Public Health Service, Inc.
Enlisted Association of the National Guard of the United States
Fleet Reserve Association
Iraq & Afghanistan Veterans of America
Jewish War Veterans of the United States of America
Marine Corps League
Marine Corps Reserve Association
Military Chaplains Association of the United States of America
Military Officers Association of America
Military Order of the Purple Heart
National Association for Uniformed Services
National Guard Association of the United States
National Military Family Association
National Order of Battlefield Commissions
Naval Enlisted Reserve Association
Naval Reserve Association
Non Commissioned Officers Association
Reserve Enlisted Association of the United States
Reserve Officers Association
Society of Medical Consultants to the Armed Forces
The Retired Enlisted Association
United States Army Warrant Officers Association
United States Coast Guard Chief Petty Officers Association
Veterans of Foreign Wars of the United States