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March 25, 2009

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

Dear Ms. Rupp:

On behalf of the management and Board of Superior Federal Credit Union, I would like to take this opportunity to comment on the recently issued Advance Notice of Proposed Rulemaking (ANPR) to 12 CFR Part 704.

Superior Federal Credit Union is a community chartered credit union in West Central Ohio. We serve over 42,000 members with assets exceeding 320 million dollars.

We commend the NCUA for allowing natural person credit unions the opportunity to express our viewpoints as a part of this evaluative process. Corporate One Federal Credit Union is a valuable partner for Superior FCU. It is imperative to our cooperative that we continue to have access to Corporate One services.

Currently, we use Corporate One for nearly all of our corporate banking services. Corporate One provides Superior FCU with a Check 21 solution for our member check processing. We also utilize Corporate One for services such as: ACH receipt and origination, wire services, settlement services, and Alliance One. Corporate One is also our primary short term liquidity provider.

For our investments portfolio, we utilize corporate for our overnight account, term investments, and line of credit. As an investment alternative, we also utilize their Simpli CD program to invest in federally insured certificates of deposit. We are currently in the process of opening a securities relationship to manage our security purchases and safekeeping. Corporate One is a trusted partner who provides competitive solutions for our credit union.

Besides providing us with financial products, Corporate One provides our credit union value added services which play an important role in our staff

development. The corporate provides our employees human resource, Bank Secrecy Act, customer service, risk management, and ACH training. The expertise of Corporate One's staff helps Superior meet our regulatory and training requirements. We can rely on Corporate One to provide us access to quality educational initiatives.

As the NCUA reviews the future role of corporate credit unions, I encourage the NCUA Board to maintain and allow the corporate network to provide investment and financial services. In the past, we have used other financial providers such as the Federal Reserve or other institutions for services. Other providers present risks as well to our credit union. Meanwhile, the service and cost from other vendors may not be comparable to Corporate One. Most importantly, other providers do not share the same cooperative spirit that exists within our member-owned corporate credit union.

The NCUA insurance assessment Superior is receiving to fund US Central and the corporate network is expensive. In our case, the cost is approximately 2.2 million dollars. However, even with this one-time assessment, I believe the benefits of the corporate system still outweigh the potential costs and risks associated with the corporate network.

Going forward, I strongly encourage the NCUA Board to maintain the corporate network. However, we do have a few suggestions for the future corporate structure.

- We would recommend each member credit union adequately capitalize their corporate. At the same time, the NCUA should ensure the corporate is managing risk and using member capital prudently.
- Rigid risk management strategies must be incorporated for the corporate's financial and services operations. We must ensure undue risk is not being taken by management. At the same time, a risk based capital model may be beneficial to gauge a corporate credit union's risk structure.
- Corporate governance should continue as a democratic process with the board comprised of the member credit unions. Issues effecting a corporate are more complex than natural person credit unions. Training should be provided to ensure board members can meet their board responsibilities.
- We would support continued competition among corporate credit unions. Allowing the market place to drive competition ultimately forces each corporate to meet member needs and maintain competitive pricing.

We sincerely believe, a strong, vibrant, and competitive corporate network is necessary to support a healthy credit union movement. We certainly hope the corporate system will exist in the future.

In closing we appreciate the opportunity to comment on the future of the corporate system. We encourage the agency to keep our views and needs in mind as they develop new and meaningful corporate regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Phil Buell". The signature is fluid and cursive, with the first name "Phil" being more prominent than the last name "Buell".

Phil Buell
President and CEO
Superior Federal Credit Union