



www.campbellcu.org

Employees  
Federal  
Credit Union

April 3, 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  
Corporate Credit Unions

**Main Office:**  
2 Executive Campus  
Suite 100  
Rt. 70 & Cuthbert Blvd.  
Cherry Hill, NJ  
08002-4102

**Mailing Address:**  
P.O. Box 2737  
Camden, NJ  
08101-2737

**Telephone:**  
(856) 486-3250

**Toll Free:**  
(800) 257-5354

**Fax:**  
(856) 486-3257

Campbell Employees Federal Credit Union has reviewed the responses to the ANPR by the New Jersey Credit Union League and our primary corporate credit union, Members United, and we agree with virtually all of the points they make in their responses. We are responding to the ANPR, however, to stress the importance of a reformed corporate credit union system to our institution.

With over 14% capital, Campbell Employees Federal Credit Union is obviously well capitalized, but that was not always so in our 72 year history. Over 20 years ago our board and management starting taking the needed actions to build capital in the only way credit unions can, through earnings. It has been difficult, so we do not appreciate our capital being diminished through the actions of the corporate credit unions or NCUA. We feel that NCUA had other options in acting to preserve the corporate credit unions rather than the use of the NCUSIF and the subsequent call for the write down of every credit union's NCUSIF deposit. We would propose that NCUA work with Congress to make the CLF available to the corporates or work to allow NCUA to borrow funds from the Treasury to keep the corporates liquid. NCUA could also purchase the underwater assets of the corporates and hold them in the NCUSIF to maturity to minimize losses.

It is critical to our credit union that the credit union system have viable corporate credit unions. We use Members United Corporate FCU for numerous functions, including check clearing, ACH settlement, securities safekeeping, CD investment, liquidity, etc. We also use Mid-Atlantic Corporate CU for CD investments and liquidity.

We feel that corporate credit unions must continue to exist. However, under the current system there are too many. This is inefficient and there are too many to effectively capitalize. We favor consolidation of the system to approximately 6 corporate credit unions by region. We would reduce the existing two tier system to one and eliminate US Central.

Corporates should offer payment, settlement and liquidity services and should be better capitalized with a minimum of 4% core capital, building eventually to at least 6%. Credit Unions using the corporates should capitalize them in order to gain access to services on a



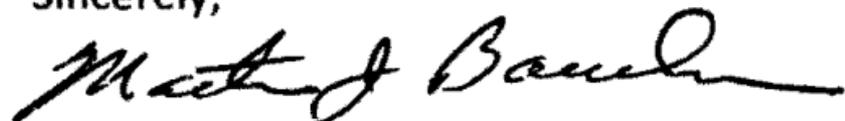
AMERICA'S  
CREDIT UNIONS™

standardized basis for all corporates. This would be permanent capital, with no guarantee of return. It seems to us that corporate still must have different investment authorization than natural person credit unions, but disclosures and transparency is a must.

Regarding governance, we believe that voluntary compensation should not be allowed and that the board of the corporates should be made up of CEOs of member credit unions only, with maximum term limits of two three-year terms. So-called 'outside experts' are not needed.

We would like to see a strong corporate credit union system emerge from the current crisis.

Sincerely,

A handwritten signature in black ink that reads "Martin J. Banecker". The signature is fluid and cursive, with a long horizontal stroke at the end.

Martin J. Banecker,  
President, CEO