

Gerard S. Poliquin, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

Dear Mr. Poliquin,

On behalf of St. Pius X Federal Credit Union, where I serve as the Compliance and Internal Auditor, I am writing this letter to express my strong support for NCUA's proposed changes to the Chartering and Field of Membership Manual requirements. These changes are necessary to keep federal credit unions a viable charter option, and they will help ensure that all persons who desire credit union services are able to obtain them.

St. Pius X is a multiple common bond federal credit union primarily serving religiously affiliated organizations in the Rochester, New York-Area. While our credit union has been able to successfully expand our membership base over the last five years, the process is not easy and ambiguities in what can and cannot be done creates unnecessary confusion for both credit unions and examiners.

One of the amendments that would most benefit my credit union would be a streamlined process for approving the expansion of smaller groups of members into a credit union's field of membership. As NCUA's own statistics demonstrate, a group consisting of less than 5,000 individuals is not realistically positioned to form a viable credit union and should not be encouraged to do so. Any steps NCUA can take to streamline the absorption of groups of this size into existing credit unions will help safeguard the industry's safety and soundness, while also eliminating some of the paperwork that sometimes discourages credit unions from growing.

I am also in favor of NCUA's proposal to recognize the increased role technology plays in providing banking services. At St. Pius X, members can check their account balances and transaction history apply for loans and arrange for bill payments online. As technology expands the service options available to our members, it makes no sense to define a credit union's service reach exclusively in terms of its brick-and-mortar facilities.

Greater field of membership flexibility is one of the key challenges facing the industry as it seeks to position itself for continued growth. The changes put forward in this proposal—particularly if coupled with Congressional action modeled after successful state level reforms—would be of tremendous benefit to St. Pius X and other credit unions.

Sincerely,

Cathy A Kanellis
Compliance/Internal Auditor
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