



Federal Credit Union

March 11, 2014

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

Dear Mr. Poliquin:

Vermillion Federal Credit Union is a Federal Credit Union serving the needs of our 2,282 members. Surprisingly, for a credit union of our size, we are able to offer our member an incredible variety of financial services.

Providing all these services to our members would be virtually impossible if it weren't for the fact that we are an owner in a CUSO known as SITE-FOUR. Because of our collaboration with SITE-FOUR we are able to provide checking accounts, CDs, e-statements, on-line banking, audio response, ATMs and the list goes on and on.

We believe that the CUSO investment risk metric of 250% is excessive especially as compared to other risk ratings. For example, delinquent consumer debt over sixty days as well as delinquent unsecured credit card debt is risk rated at 150% and delinquent first lien mortgage loans are risk rated at 100%. Yet investments in CUSOs that have added millions to the bottom line of credit unions are arbitrarily deemed riskier. We do not understand this reasoning.

We understand that there is a huge variety in CUSOs and what they do and it is for this reason that we believe that a "one size fits all" mold is not right.

We believe that our CUSO has been instrumental in helping us provide needed financial services to our members while at the same time helping us to generate the very capital that NCUA seeks.

Sincerely,

A handwritten signature in cursive script that reads "Janet Mount".

Janet Mount,  
CEO, Vermillion Federal Credit Union