

Services Center FCU
609 W 21st St
Yankton, SD 57078

April 7th, 2014

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

Re: Comment to the Proposed Prompt Corrective
Action – Risk-Based Capital Regulation

Dear Mr. Poliquin:

Services Center Federal Credit Union has thrived since its formation in 1962 due in large part to collaboration with CUSOS. The CUSOS that our Credit Union invests in provide us with our core processing software, electronic document imaging, data processing, operations, disaster recovery and other elements that are critical to providing quality, efficient, technologically current products and services to our members.

Without these CUSO relationships, our Credit Union would have to hire additional staff, educate and train that staff, and purchase additional software and equipment. It is much more cost effective for our Credit Union to work with a CUSO specializing in areas that are outside of our expertise.

It is excessive for the Risk-Based Capital Regulation to put a blanket investment risk metric of 250% on all CUSO investments. These investments are not a one size fits all investment. NCUA should rework this regulation as to not discourage all investments in CUSOS. CUSO relationships have become a necessity, not a luxury, for many credit unions.

Sincerely,

April Tompkins
Asset Liability Specialist