



February 8, 2016

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

Re: Field of Membership Proposal

On behalf of Superior Credit Union, Inc., I am writing to you regarding the NCUA's proposed rule amending the NCUA Chartering and Field of Membership Manual, incorporated as Appendix B to part 701. Superior Credit Union, Inc. (Superior) appreciates the opportunity to comment on this important proposal. Superior supports NCUA's initiative in amending and modernizing the Field of Membership (FOM) Manual and desires to provide comments regarding the proposal.

Superior has experienced the challenges of the current NCUA FOM Rules and Regulations. Due to the inflexibility of the federal charter FOM rules, Superior converted from a federal chartered credit union to a state chartered credit union in October of 2015. Superior made the choice to convert charters to provide additional consumers access to credit union services and offset a shrinking field of membership. Over the past decade, our FOM population decreased 1.4%. Meanwhile, the population in our service area is projected to shrink in the next 10 years as population shifts from rural Ohio to urban areas. With the current NCUA FOM regulations, increasing our FOM to offset population loss was prohibited. Superior had little option but to switch to a state chartered credit union to ensure long-term viability.

Superior feels strongly that a field of membership should not be restricted by population limits, but by the credit union's ability to effectively serve members in a safe and sound manner. The Credit Union Membership Access Act passed by Congress in 1998 clearly provides the NCUA Board the authority to establish fields of memberships that support consumer access to credit unions. Superior fully supports all of the proposed amendments that are designed to provide Americans access to cooperative financial services. Meanwhile, Superior strongly supports the initiatives to add underserved areas and rural areas to existing fields of membership, as well as, amendments that promote expanded access for low income areas.

To improve the proposal, Superior believes the population limit on "rural districts" should be eliminated, and supports adding an alternative method for defining "well-defined local communities". Credit unions should not be restricted by the government's definition of CSAs

and CBSAs, and should have the ability to demonstrate why an area has sufficient interaction to qualify as a “well-defined local community”. The characteristics that define communities are not the same throughout the United States. Large cities can be more easily defined by maps and statistics; however, farming communities and other rural areas such as West Central Ohio cannot be so easily defined. The NCUA should consider an alternative method of approving a well-defined local community by explaining through narratives.

Superior supports the NCUA’s initiative with defining rural district; however, Superior believes that having a population limit is unnecessarily restrictive. To encourage credit unions to expand into rural districts and allow greater access for those people living in rural areas, the population limit should be eliminated. The ability of a credit union to serve the rural areas while remaining safe and sound should be the primary factors in determining a rural district.

Amendments to the NCUA FOM are necessary for the long-term success of federally chartered credit unions. Superior’s recent charter change is an example of the downfalls of the current and very restrictive FOM rules. Superior is optimistic that the NCUA is on the right path in modernizing the FOM rules a means to increase consumer access to credit unions. We appreciate the NCUA taking time to consider our comments and look forward to the final rule in the near future.

Thank you,

A handwritten signature in black ink, appearing to read 'Phil Buell', with a stylized, cursive script.

Phil Buell  
President/CEO