



**National Association  
of Federal Credit Unions**  
3138 10th Street North  
Arlington, VA 22201-2149

NAFCU | Your Direct Connection to Education, Advocacy & Advancement

December 13, 2013

Sandra Pianalto  
President and CEO  
Chair, Financial Services Policy Committee  
Federal Reserve Bank of Cleveland  
1455 E 6th St.  
Cleveland, OH 44114

RE: Payment System Improvement – Public Consultation Paper (9/10/13)

Dear Ms. Pianalto:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents federal credit unions, I write to you regarding the Federal Reserve Banks' Public Consultation Paper proposing and seeking input on the Federal Reserve Banks' role in implementing improvements to the speed, efficiency, and security of the U.S. payment system.

NAFCU appreciates the role the Federal Reserve Banks have played thus far in reaching out to the industry to determine the payment system features that would provide the greatest benefit to both financial service providers and their customers. At this stage, however, NAFCU believes that it would be most beneficial for the Federal Reserve Banks to join the rest of the industry in a robust dialogue of the merits and pitfalls of implementing any changes, and to wait for industry action instead of attempting to enact reforms on its own.

NAFCU generally agrees with the gaps and opportunities in payment system identified by the Federal Reserve Banks. NAFCU believes that the contemporary features laid out in the Paper have the potential to enhance the ability of credit unions to meet their members and communities' needs, as well as the payment system as a whole. Specifically, credit unions and their members would benefit from real-time validation, and safeguards for dealing with exceptions and for ensuring that there are sufficient funds to cover payments. Another useful feature would be the ability to deliver check images, particular through mobile devices and applications. However, NAFCU believes that before any further action is taken, there must be an industry-wide dialogue about any unintended costs or issues that may arise in pursuing these gaps and opportunities.

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NAFCU appreciates the opportunity to provide its comments. Should you have any questions or concerns, please feel free to contact me at [ameyster@nafcu.org](mailto:ameyster@nafcu.org) or (703) 842-2272.

Sincerely,

A handwritten signature in black ink, appearing to read "Angela Meyster". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Angela Meyster  
Regulatory Affairs Counsel