



August 07, 2008

Mary Rupp,
Secretary of the Board, NCUA
1775 Duke St.
Alexandria, Virginia 22314-3428

Re: Proposed Rule - Prompt Corrective Action; Amended Definition of Net Worth

Dear Ms. Rupp:

This letter is in response to your request for comments on the recently proposed regulatory change to Part 702 addressing the calculation of post merger Net Worth. Xceed Financial Federal Credit Union fully supports this change for a number of reasons.

Primary among these is that without this change, Net Worth ratios under the FAS 141 methodology would become subject to manipulation based on the assumptions used to value the assets and liabilities of the non-surviving credit union. Further, it is our belief that for the typical credit union merger, and given the cooperative nature of credit unions, that FAS 141 actually decreases transparency in financial reporting, which is directly counter to the FASB goal of increasing financial reporting transparency. Finally, this proposed change would eliminate a perceived barrier to credit union mergers that would benefit the members of the merging institutions, increase the safety and soundness of the movement, and allow members to exercise their rights as owners of their institutions.

Thank you for the opportunity to provide comment on this proposed beneficial regulatory change.

Regards,

A handwritten signature in black ink, appearing to read 'Brad Miller', written over a horizontal line.

Brad Miller, CPA, CFA
Senior Vice President and Chief Financial Officer
Xceed Financial Federal Credit Union