

Re: Docket No. OP – 1625

To whom it may concern:

I am writing on behalf of Morehead Community Federal Credit Union, located in Morehead, KY. Our Asset size is 34 million and we serve 3,864 members. Morehead Community Federal Credit Union extends its support for both potential actions proposed by the Federal Reserve Bank in support of faster payments.

We feel that a real time gross settlement service offered by the Federal Reserve Banks on a 24x7x365 basis is necessary to support a truly ubiquitous and equitable real time payments system. In addition, RTGS will relieve unmitigated credit risk imposed on receiving institutions in a deferred settlement system. Along with RTGS supporting faster payments, it is important that financial institutions have the option to select a correspondent for settlement of funds on a 24x7x365 basis.

We also feel that a liquidity management tool offered by the Reserve Banks is essential to the advancement of faster payments nationwide. A liquidity management tool will ease the burden of preventing overdrafts during non-business hours, while allowing transactions to continue to flow 24x7x365.

It will also be necessary for the Reserve Banks to offer the ability to select an agent to manage the liquidity management tool on behalf of financial institutions without Federal Reserve accounts.

In summary, it is the belief of Morehead Community Federal Credit Union that it is incumbent upon the Federal Reserve Bank to take action in relation to faster payments in the United States. The Federal Reserve Bank will play a pivotal role in the advancement of faster payments available to all U.S. financial institutions. Without action from the Federal Reserve, a faster payments network driven by the private sector will only benefit the largest financial institutions. Action by the Reserve Banks will enable thousands of smaller institutions, like our Credit Union, to join into the faster payments initiative.

Sincerely,



John M. Alcorn
CEO