



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-4561

March 8, 2010

Steven J. Ellcessor
Frost Brown Todd LLC
One Columbus, Suite 2300
10 West Broad Street
Columbus, OH 43215-3484

Re: Central Federal Corporation
Incoming letter dated January 14, 2010

Dear Mr. Ellcessor:

This is in response to your letter dated January 14, 2010 concerning the shareholder proposal submitted to Central Federal by MacNealy Hoover Investment Management, Inc. We also have received a letter from the proponent dated January 19, 2010. Our response is attached to the enclosed photocopy of your correspondence. By doing this, we avoid having to recite or summarize the facts set forth in the correspondence. Copies of all of the correspondence also will be provided to the proponent.

In connection with this matter, your attention is directed to the enclosure, which sets forth a brief discussion of the Division's informal procedures regarding shareholder proposals.

Sincerely,

Heather L. Maples
Senior Special Counsel

Enclosures

cc: Christopher J. Hubbert
Kohrman Jackson & Krantz PLL
One Cleveland Center
20th Floor
1375 East Ninth Street
Cleveland, OH 44114-1793

March 8, 2010

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Central Federal Corporation
Incoming letter dated January 14, 2010

The proposal requests that the board appoint a committee to explore strategic alternatives for maximizing shareholder value, including the sale or merger of the company; instruct the committee to retain a firm to advise the committee about strategic alternatives; and authorize the solicitation of offers for the sale or merger of the company.

There appears to be some basis for your view that Central Federal may exclude the proposal under rule 14a-8(i)(7), as relating to Central Federal's ordinary business operations. In this regard, we note that the proposal appears to relate to both extraordinary transactions and non-extraordinary transactions. Proposals concerning the exploration of strategic alternatives for maximizing shareholder value which relate to both extraordinary transactions and non-extraordinary transactions are generally excludable under rule 14a-8(i)(7). Accordingly, we will not recommend enforcement action to the Commission if Central Federal omits the proposal from its proxy materials in reliance on rule 14a-8(i)(7). In reaching this position, we have not found it necessary to address the alternative basis for omission upon which Central Federal relies.

Sincerely,

Michael J. Reedich
Special Counsel

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the Company in support of its intention to exclude the proposals from the Company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes administered by the Commission, including argument as to whether or not activities proposed to be taken would be violative of the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversary procedure.

It is important to note that the staff's and Commission's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly a discretionary determination not to recommend or take Commission enforcement action, does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the management omit the proposal from the company's proxy material.

Frost Brown Todd^{LLC}

A T T O R N E Y S

OHIO · KENTUCKY · INDIANA · TENNESSEE · WEST VIRGINIA

Steven J. Ellcessor
(614) 559-7225
SELLCESSOR@FBTLAW.COM

January 14, 2010

VIA E-MAIL (shareholderproposals@sec.gov)

Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

**Re: Central Federal Corporation
Securities Exchange Act of 1934; Rule 14a-8
Omission of Shareholder Proposal Submitted by
MacNealy Hoover Investment Management, Inc.**

Ladies and Gentlemen:

We are writing on behalf of our client Central Federal Corporation (the "Company") with regard to a shareholder proposal and supporting statement (the "Proposal") submitted by MacNealy Hoover Investment Management, Inc. (the "Proponent") for inclusion in the proxy statement and form of proxy (collectively, the "Proxy Materials") to be distributed by the Company in connection with its 2010 annual meeting of stockholders. A copy of the Proposal and related correspondence is attached hereto as Exhibit A.

On behalf of the Company, we respectfully request that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with the Company's view that, for the reasons stated below, the Proposal may properly be omitted from the Proxy Materials pursuant to Exchange Act Rules 14a-8(b) and 14a-8(i)(7). Pursuant to Rule 14a-8(j), this letter is being submitted not less than 80 calendar days before the Company files its definitive Proxy Materials with the Commission.

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008) ("SLB 14D"), this letter, together with the Proposal and related correspondence, is being submitted by e-mail to shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), copies of this submission are being sent concurrently to the Proponent and Proponent's counsel as notification of the Company's intention to omit the Proposal from its Proxy Materials. The Company agrees to promptly forward to the Proponent any response from the Staff to this no-action request that the Staff transmits by e-mail or facsimile to the Company only. Finally, Rule 14a-8(k) and SLB 14D provide that shareholder proponents are required to

send companies a copy of any correspondence that the shareholder proponent elects to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company.

THE PROPOSAL

The resolution contained in the Proposal reads as follows:

RESOLVED, that Central Federal Corporation ("CFBK") shareholders request that the Board of Directors (1) appoint a committee of **independent, non-management** directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of CFBK, (2) instruct the committee to retain a leading investment banking firm to advise the committee about strategic alternatives, and (3) authorize the committee and investment banker to solicit offers for the sale or merger of CFBK. (Emphasis in original.)

GROUND FOR EXCLUSION

The Company requests that the Staff concur with the Company's view that the Proposal is excludable under item (b) of Rule 14a-8 because the Proponent has failed to provide the requisite proof of continuous ownership in response to the Company's proper request for that information and also under item (i)(7) of Rule 14a-8 on ordinary business grounds.

DISCUSSION

A. The Proponent has not demonstrated eligibility under Rule 14a-8(b).

Under Rule 14a-8(b) of the Exchange Act, in order to be eligible to submit a proposal, a proponent must have continuously held at least \$2,000 in market value, or 1%, of the Company's securities entitled to vote on the proposal for at least one year and continue to hold these securities through the date of the shareholders' meeting. If a proponent is not a registered holder of the company securities entitled to vote on the proposal and has not filed a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 reflecting ownership of the company's securities as of or before the date on which the one-year eligibility period begins, a proponent may prove eligibility by submitting a written statement from the record holder of the securities verifying that at the time the proponent submitted the proposal that the proponent had held the securities for at least one year. Staff Legal Bulletin No. 14 (July 13, 2001) ("SLB 14") specifies that when the shareholder is not the registered holder, the shareholder "is responsible for proving his or her eligibility to submit a proposal to the company," which the shareholder may do by one of the two ways provided in Rule 14a-8(b).

Mr. Hubbert, counsel for Proponent, submitted the Proposal, dated December 22, 2009, to the Company via overnight mail, which the Company received on December 23, 2009. Submitted with the Proposal as written evidence of Proponent's eligibility were copies of the Proponent's Schedules 13D and 13G, filed with the Commission on August 13, 2009 and December 17, 2009, respectively. However, those Schedules demonstrated Proponent's ownership of Company shares only as of August 12, 2009 and December 15, 2009, not as of or before December 22, 2008 (the date the one-year ownership period begins). The Schedules are included in Exhibit A attached hereto. The Proponent submitted no other written verification of Proponent's ownership of Company shares. The Company reviewed its stock

records, which did not indicate that the Proponent was the record owner of Company shares.

Accordingly, the Company sought verification from the Proponent of the Proponent's eligibility to submit the Proposal. Specifically, the Company sent a letter via Federal Express (to Proponent and Proponent's counsel) on December 29, 2009, which was within 14 calendar days of the Company's receipt of the Proposal, notifying Proponent of the requirements of Rule 14a-8 and how the Proponent could cure the procedural and eligibility defects (the "Notice of Defect"). A copy of the Notice of Defect and proof of delivery on December 30, 2009 are attached as Exhibit B.

In response to the Notice of Defect, Proponent faxed to the Company a letter from Charles Schwab Institutional, dated January 4, 2010 (the "Charles Schwab Letter"), indicating that Proponent has managed more than \$2,000 worth of Company shares for more than one year as of January 4, 2010 and that Proponent, an independent investment advisor, managed client accounts that held 104,141 shares of Company common stock at Charles Schwab & Co., Inc. as of December 18, 2008. The fax from Proponent and the Charles Schwab Letter are attached as Exhibit C.

While the Charles Schwab Letter indicates that Proponent managed accounts that held Company shares for more than one year as of January 4, 2010, the Charles Schwab Letter is insufficient to establish Proponent's ownership under Rule 14a-8(b). To demonstrate eligibility, Proponent was required to submit proof that Proponent continuously held the required number of Company shares for at least one year from the date Proponent submitted the Proposal, December 22, 2009. The Charles Schwab Letter reflects ownership of Company shares as of December 18, 2008 and for a period of at least one year from January 4, 2010, the date of the Charles Schwab Letter. The Charles Schwab Letter does not, however, establish that Proponent owned any Company shares as of December 22, 2008 or that Proponent continuously owned the requisite number of Company shares for a one year period as of December 22, 2009, the date Proponent submitted the Proposal.

The Company has not received any other documentary evidence of Proponent's ownership of shares in response to the Notice of Defect.

Rule 14a-8(f) provides that a company may exclude a shareholder proposal if the proponent fails to provide evidence of eligibility under Rule 14a-8, including the beneficial ownership requirements of Rule 14a-8(b), provided that the company timely notifies the proponent of the problem and the proponent fails to correct the deficiency within the required time. The Company satisfied its obligation under Rule 14a-8 by transmitting to Proponent in a timely manner the Notice of Defect, which provided:

- the ownership requirements of Rule 14a-8(b);
- that, according to the Company's stock records, the Proponent was not a record owner of Company shares;
- the type of statement or documentation necessary to demonstrate beneficial ownership under Rule 14a-8(b);
- that any response had to be postmarked or transmitted electronically no later than 14 calendar days from the date the Proponent received the Notice of Defect; and
- that a copy of the shareholder proposal rule set forth in Rule 14a-8 was enclosed.

On numerous occasions the Staff has taken a no-action position concerning a company's omission of shareholder proposals based on a proponent's failure to provide satisfactory evidence of eligibility under Rule 14a-8(b) and Rule 14a-8(f)(1). *See General Electric Co.* (Available December 16, 2009) (concurring with the exclusion of a shareholder proposal submitted on October 28, 2009 where the proposal was dated October 27, 2009 and the documentary evidence demonstrating ownership of the company's securities covered a continuous period ending October 27, 2009); *Time Warner Inc.* (Available February 19, 2009) (concurring with the exclusion of a shareholder proposal under Rule 14a-8(b) and Rule 14a-8(f) and noting that "the proponent appears to have failed to supply, within 14 days of receipt of Time Warner's request, documentary support sufficiently evidencing that the proponent satisfied the minimum ownership requirement for the one-year period required by Rule 14a-8(b)"); *Alcoa Inc.* (Available February 18, 2009); *Qwest Communications International, Inc.* (Available February 28, 2008); *Occidental Petroleum Corp.* (Available November 21, 2007); *General Motors Corp.* (Available April 5, 2007); *Yahoo, Inc.* (Available March 29, 2007); *CSK Auto Corp.* (Available January 29, 2007); *Motorola, Inc.* (Available January 10, 2005); *Johnson & Johnson* (Available January 3, 2005); *Agilent Technologies* (Available November 19, 2004); *Intel Corp.* (Available January 29, 2004); *Moody's Corp.* (Available March 7, 2002).

As mentioned above, SLB 14 places the burden of proving the ownership requirements on the proponent: the shareholder "is responsible for proving his or her eligibility to submit a proposal to the company." In addition, the Staff has previously made clear the need for precision in the context of demonstrating a shareholder's eligibility under Rule 14a-8(b) to submit a shareholder proposal. SLB 14 provides the following:

If a shareholder submits his or her proposal to the company on June 1, does a statement from the record holder verifying that the shareholder owned the securities continuously for one year as of May 30 of the same year demonstrate sufficiently continuous ownership of the securities as of the time he or she submitted the proposal?

No. A shareholder must submit proof from the record holder that the shareholder continuously owned the securities for a period of one year as of the time the shareholder submits the proposal.

Accordingly, the Staff has consistently taken the position that if a proponent does not provide documentary support sufficiently evidencing that it has satisfied the minimum ownership requirement for the one-year period specified by Rule 14a-8(b), the proposal may be excluded under Rule 14a-8(f). *See Nabors Industries Ltd.* (Available March 8, 2005) (letter from a bank stating ownership for more than one year "prior to January 12, 2005" was insufficient to provide proof of ownership for the year preceding January 7, 2005, the date of proposal submission). The Staff also has consistently permitted companies to omit shareholder proposals when the evidence of ownership submitted by a proponent covers a period of time that falls short of the required one-year period prior to the submission of the proposal. *See General Electric Co.* (Available January 9, 2009) (concurring with the exclusion of a shareholder proposal where the proposal was submitted November 10, 2008 and the documentary evidence demonstrating ownership of the company's securities covered a continuous period ending November 7, 2008); *International Business Machines Corp.* (Available December 7, 2007) (concurring with the exclusion of a shareholder proposal where the proponent submitted a broker letter dated four days before the proponent submitted its proposal to the company); *Wal-Mart Stores, Inc.* (Available February 2, 2005) (concurring with the exclusion of a shareholder proposal where the proposal was submitted December 6, 2004 and the documentary evidence demonstrating ownership of the company's securities covered a continuous period ending November 22, 2004); *Gap, Inc.* (Available March 3, 2003) (concurring with the exclusion of a shareholder proposal where the date of submission was November 27, 2002 but the documentary

evidence of the proponent's ownership of the company's securities covered a two-year period ending November 25, 2002); *AutoNation, Inc.* (Available March 14, 2002) (concurring with the exclusion of a shareholder proposal where the proponent had held shares for two days less than the required one-year period).

Similarly, in this instance, Proponent submitted proof of ownership with a date gap and, thus, failed to provide sufficient documentary support of continuous ownership of Company shares for the one-year period as required by Rule 14a-8(b). Proponent could have simply procured a properly dated statement from the record holder regarding its ownership of the shares, assuming it satisfied the applicable ownership requirements on that date. Because Proponent has not sufficiently demonstrated ownership of the requisite number of Company shares for the one-year period prior to the date the Proposal was submitted to the Company as required by Rule 14a-8(b), the Company may exclude the Proposal under Rule 14a-8(b) and Rule 14a-8(f)(1).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials.

B. The Proposal Deals with Matters Relating to the Company's Ordinary Business Operations, and, Therefore, the Proposal is Excludable Under Rule 14a-8(i)(7).

The Proposal may be excluded for substantive, as well as procedural deficiencies. The subject matter of the Proposal—strategic alternatives for maximizing shareholder value—relates to the Company's ordinary business operations. Accordingly, the Proposal may be omitted from the Company's Proxy Materials under Rule 14a-8(i)(7).

Rule 14a-8(i)(7) provides for the exclusion of a shareholder proposal where the proposal addresses a matter relating to a company's ordinary business operations. The Commission has explained that the "general underlying policy of this exclusion is consistent with the policy of most state corporate laws: to confine the resolution of ordinary business problems to management and the board of directors." Exchange Act Release No. 34-40018 (May 21, 1998).

The proposal requests that the Board of Directors (1) appoint a committee of independent directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of the Company, (2) instruct the committee to retain an investment bank to advise the committee about strategic alternatives, and (3) authorize the committee and investment bank to solicit offers for the sale or merger of the Company. The Company is a Delaware corporation, and under the Delaware General Corporation Law ("DGCL"), the board of directors has the authority to conduct the ordinary business of the corporation. Section 141 of the DGCL provides that "the business and affairs of every corporation organized under this chapter shall be managed by or under the direction of a board of directors, except as may be otherwise provided in this chapter or in its certificate of incorporation." The Company's certificate of incorporation does not contain any limitation on the board's authority to so manage the Company. The pursuit of enhanced stockholder value is one of the basic premises underlying corporate law. A board of directors of a Delaware corporation has no more fundamental duty than seeking ways to maximize the value of the corporation for the benefit of its stockholders.

In applying Rule 14a-8(i)(7), the Staff has drawn a distinction between proposals that seek to reinforce management's generalized obligation to maximize shareholder value and those that direct

management to take specific steps in connection with an "extraordinary corporate transaction," finding the former type excludable. Compare *First Charter Corporation* (Available January 18, 2005) (finding a proposal mandating formation of a special committee "with authority to explore strategic alternatives for maximizing shareholder value, including the sale of the Corporation" to be excludable pursuant to Rule 14a-8(i)(7)) with *Allegheny Valley Bancorp, Inc.* (Available January 3, 2001) (proposal directing the board of directors to hire an investment bank for the specific purpose of soliciting offers for the purchase of the bank's stock or assets could not be excluded).

Proposals that center on strategic direction are generally considered within the province of the board of directors, and hence ordinary. Those that focus on a specific major transaction often fall into the extraordinary category. See *Medallion Financial Corp.* (Available May 11, 2004) (proposal requesting "investment banking firm be engaged to evaluate alternatives to maximize stockholder value including a sale of the Company" properly excluded pursuant to 14a-8(i)(7)). The Staff has acknowledged on several occasions that where "the proposal appears to relate to both extraordinary transactions and non-extraordinary transactions," a basis exists for the omission of the proposal pursuant to Rule 14a-8(i)(7). See *Peregrine Pharmaceuticals, Inc.* (Available July 31, 2007); *Bristol-Myers Squibb Company* (Available February 22, 2006); *AltiGlen Communication, Inc.* (Available November 16, 2006); and *Medallion Financial Corp.* (Available May 11, 2004).

The first sentence of the resolution contained in the Proposal calls for the Company's Board of Directors to appoint a committee of independent directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of the Company. While the Proposal cites as examples of strategic alternatives the sale or merger of the Company, nothing in the Proposal or the supporting statement indicates that strategic alternatives are limited to only the sale or merger of the Company, or that the committee's or investment bank's options, in evaluating strategic alternatives for maximizing shareholder value, are confined to taking the steps necessary to effect a sale or merger of the Company.

In fact, the very next sentence of the resolution contained in the Proposal, which requests that the Company retain a leading investment banking firm "to advise the committee about strategic alternatives," makes no reference to a sale or merger of the Company or any other specific corporate transaction, let alone a specific extraordinary corporate transaction. Were the Proposal intended to limit strategic alternatives for maximizing shareholder value to either the sale or merger of the Company, that sentence would have limited the scope of the engagement of the investment bank to advising the committee about the sale or merger of the Company. The next and final sentence of the resolution requests the board to *authorize* the committee and investment bank to solicit offers for the sale or merger of the Company. However, neither the Proposal nor the supporting statement require the committee or investment bank to solicit offers for the sale or merger of the Company, to present offers for the sale or merger of the Company to the Company's shareholders, or to even take all steps necessary to solicit offers for the sale or merger of the Company. Rather, the Proposal only calls for the board to provide the committee and the investment bank with the authorization to solicit offers for the sale or merger of the Company. Accordingly, as the committee and investment bank evaluate strategic alternatives, the decision to solicit offers for the sale or merger of the Company remains within the discretion of the committee and the investment bank. The committee could maximize shareholder value through any number of actions short of an extraordinary corporate transaction, and the Proposal is not requesting the committee to effect an extraordinary transaction.

The Proponent states in the supporting statement that it is concerned with the Company's "inability to control expenses, maintain asset quality and preserve shareholder equity" and that the purpose of the Proposal is to advise the Company's board of the shareholders' concerns about the Company's strategic direction and to have the Company's non-management directors evaluate strategic alternatives, including the sale or merger of the Company, for maximizing shareholder value. Read together, the purpose and object of the Proposal relate to evaluating strategic alternatives for the purpose of maximizing shareholder value, not to a specific extraordinary transaction. While the Proposal cites a sale or merger as examples of strategic alternatives, the Proposal neither limits strategic alternatives to those two options (or similar extraordinary transaction) nor requires the board or the committee to take specific steps or all necessary actions to solicit offers for the sale or merger of the Company, to present such an offer to the shareholders, or to even seek such an offer.

The Staff has routinely approved the exclusion of shareholder proposals under Rule 14a-8(i)(7) as an ordinary matter of business strategy when the shareholder proposal, like the Proposal here, directs the retention of third-party advisors to investigate strategic alternatives. In *Fifth Third Bancorp* (Available January 17, 2007), the Staff permitted the exclusion of a proposal with language quite similar to the language in the instant Proposal. The proposal there requested the board to immediately engage a nationally recognized investment banking firm to propose and evaluate strategic alternatives that could enhance shareholder value including but not limited to a merger or outright sale. The Staff concluded that the proposal appeared to relate to both extraordinary transactions and non-extraordinary transactions. See also *First Charter Corporation* (Available January 18, 2005) (allowing exclusion of proposal to establish independent director committee and retain investment bank to explore strategic alternatives, including the solicitation, evaluation and negotiation of offers to purchase the company); *Medallion Financial Corp.* (Available May 11, 2004) (allowing exclusion of proposal to engage an investment banking firm to evaluate alternatives to maximize shareholder value, including sale of company); *BKF Capital Group* (Available February 27, 2004) (allowing exclusion of proposal to engage investment banking firm to evaluate alternatives to maximize stockholder value including sale of company); *Lancer Corporation* (Available March 13, 2002) (allowing exclusion of proposal to retain investment bank to develop valuation of shares and explore strategic alternatives to maximize value); *Virginia Capital Bancshares, Inc.* (Available January 16, 2001) (allowing exclusion of proposal to retain investment bank to prepare report enumerating ways to improve stock value); *Marsh Supermarkets, Inc.* (Available May 8, 2000) (allowing exclusion of proposal that board consider engaging investment banker to explore all alternatives to enhance value of company).

The mention in the Proposal that alternatives for enhancing shareholder value may include a sale or merger of the Company does not change the fact that the Proposal deals primarily with the enhancement of shareholder value, a matter of ordinary business squarely within the province of the board of directors of a Delaware corporation. The Staff has consistently granted no-action relief under Rule 14a-8(i)(7) when a shareholder proposal combines ordinary business and extraordinary business matters. See *Bristol-Myers Squibb, supra*; *First Charter, supra*; *Medallion Financial, supra*; *BKF Capital, supra*; *Vista Bancorp, Inc.* (Available January 22, 2001) (allowing exclusion of proposal to retain a qualified financial advisory and bank consulting firm to explore strategic alternatives, including acquisition opportunities, "merger of equals," and sale to or merger with a larger financial institution); *Bowl America, Inc.* (Available September 19, 2000) (allowing exclusion of proposal to hire investment banker to review and recommend ways to enhance shareholder value, where review should include, but not be limited to, possible sale, merger, liquidation, other reorganization or privatization of the company, sale of real estate assets and sale of investment assets); *NACCO Industries* (Available March 29, 2000) (allowing

exclusion of proposal to retain investment bank to explore all alternatives to enhance company value, including possible sale, merger or other transaction for any or all assets of the company); *Sears, Roebuck & Co.* (Available February 7, 2000) (allowing exclusion of proposal to retain investment bank to prepare for a sale of all or parts of the company).

The Company is aware of the Staff's decisions in the Allegheny Valley Bancorp and First Franklin Corporation no-action letters, where the Staff did not permit the exclusion of shareholder proposals. In those and similar situations, the proposals at issue unequivocally sought to effect extraordinary corporate transactions and did not include ordinary business matters. See *Allegheny Valley Bancorp, Inc.* (Available January 3, 2001) (declining to approve exclusion of proposal to retain investment bank for purpose of soliciting offers for the company's stock or assets and present highest cash offer to shareholders) and *First Franklin Corporation* (Available February 22, 2006) (finding that a proposal to engage the services of an investment banking firm to evaluate alternatives to enhance shareholder value and to take all necessary steps to actively seek a sale or merger was not properly excludable). Those cases are distinguishable from the instant Proposal, however, because the Staff found that those proposals involved a request for a specific, extraordinary business transaction, not just a request for the exploration of strategic options *including* a sale or merger. By its clear language, the instant Proposal does not mandate that the committee take any specific steps to solicit offers for an extraordinary transaction or take all steps necessary to effect an extraordinary transaction. Rather, it just wants the directors to do what they are otherwise already supposed to do as part of their ordinary duties—consider options to maximize shareholder value, and it goes ahead to suggest that an investment banker be used and that the board committee selected be *authorized* to solicit offers if, presumably, it should determine that doing so would be the best way to maximize shareholder value. There is no request here that the board do anything more than consider a sale or merger as one possible way to improve shareholder value.

Even if the Proposal and supporting statement could be read to broadly encompass both extraordinary business transactions and ordinary business operations, the proposal should be excludable. *Sears, Roebuck & Co.* (February 7, 2000) (proposal related to retention of investment bank to prepare for a sale of all or parts of the company excludable as relating to ordinary business). The Staff has consistently granted requested no-action relief pursuant to Rule 14a-8(i)(7) where the shareholder proposal was determined to relate to non-extraordinary matters, even though, in some cases, the proposals suggested both ordinary and extraordinary courses of action. See *Telular Corporation* (December 5, 2003) (proposal requesting a review of strategic alternatives for maximizing shareholder value, including sale, merger, spin-off, split-off or divestiture of the Company or a division thereof excludable as relating to ordinary business); *Archon Corporation* (March 10, 2003) (proposal related to appointing a committee of independent, non-management directors to explore strategic alternatives to maximize shareholder value excludable as relating to ordinary business).

Moreover, the Staff has consistently taken the position that it will not allow revisions under Rule 14a-8(i)(7) and that if any portion of a proposal is excludable because it relates to a company's ordinary business activities, the entire proposal may be excluded. See *Bristol-Myers Squibb Company* (February 22, 2006) (where the proposal appears to relate to both extraordinary transactions and non-extraordinary transactions, a basis exists for the omission of the proposal pursuant to Rule 14a-8(i)(7); *Archon Corporation* (March 10, 2003) (allowing for the omission of a proposal relating to the retention of an investment bank to advise an independent board committee on strategic alternatives because portions of the proposal related to ordinary business operations).

In the instant case, the Proposal, by its terms, is not limited to an extraordinary transaction but rather deals very generally with the maximization of shareholder value. While the Proponent's submission

mentions one transaction in particular (a sale or merger) in discussing strategic alternatives to maximize shareholder value, the Staff has consistently deemed such discussion insufficient to overcome the defect of not addressing extraordinary transactions exclusively. *Id.*

CONCLUSION

The Proposal relates to an exploration of ways to improve shareholder value and contemplates a variety of transactions, but does not request that any particular option be chosen or approved. Ultimately, it requests actions that would constitute the ordinary business operations of the Company. Therefore, the Proposal may properly be omitted from the Company's Proxy Materials pursuant to Rule 14a-8 (i)(7).

If we can be of further assistance in this matter, please do not hesitate to call me at (614) 559-7225.

Sincerely,



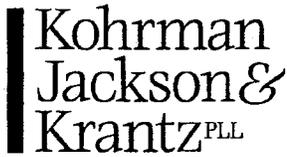
Steven J. Elcessor

Enclosures

cc: Eloise L. Mackus, Central Federal Corporation
Harry C.C. MacNealy, MacNealy Hoover Investment Management, Inc.
Millennium Centre
200 Market Ave. N., Ste. 200
Canton, OH 44702
Fax: 330-454-1003
Christopher J. Hubbert, Kohrman Jackson & Krantz PLL
One Cleveland Center, 20th Floor
1375 East Ninth Street
Cleveland, OH 44114
Fax: 216-621-6536

FROST BROWN TODD LLC

Exhibit A



ATTORNEYS AT LAW

December 22, 2009

VIA FEDERAL EXPRESS

Central Federal Corporation
2923 Smith Road
Fairlawn, Ohio 44333
Attn: Eloise L. Mackus
Corporate Secretary

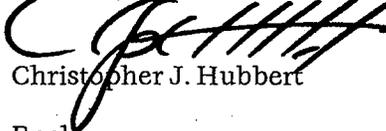
Re: *Shareholder Proposal*

Dear Ms. Mackus:

My firm represents MacNealy Hoover Investment Management, Inc. MacNealy Hoover is a registered investment advisor managing more than \$175 million in assets for individuals, trusts, profit-sharing plans and non-profit organizations and is a beneficial owner of a significant position in Central Federal Corporation.

On behalf of MacNealy Hoover I have enclosed a shareholder proposal for inclusion in Central Federal's proxy statement for the 2010 annual meeting of shareholders. Please feel free to contact me or Harry C.C. MacNealy, chief executive officer of MacNealy Hoover, with any questions you may have regarding the proposal.

Sincerely,



Christopher J. Hubbert

Encl.

V 216-736-7215
F 216-621-6536
E cjh@kjk.com

cc: Harry C.C. MacNealy

/kas

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Cleveland and Columbus

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December 22, 2009

Central Federal Corporation
Ms. Eloise L. Mackus Esq.
2923 Smith Rd.
Fairlawn, Ohio 44333

RE: Shareholder Proposal for the 2010 Annual Meeting Proxy Statement

Dear Ms. Mackus,

The following shareholder proposal conforms to the requirements of Exchange Act Rule 14a-8 and other applicable proxy rules and interpretations of the Securities and Exchange Commission concerning submission and content of proposals. I submit this proposal in my capacity as Chief Executive Officer and on behalf of MacNealy Hoover Investment Management, Inc. As specified in our Schedule 13D filing with the Securities and Exchange Commission on December 15, 2009, MacNealy Hoover Investment Management, Inc. beneficially owns more than 366,000 shares of Central Federal Corporation common stock (8.9%) and has owned more than 1% of the outstanding shares for more than one year. It is our intention to continue to hold more than 5% of the outstanding shares through the date of the annual meeting. I have enclosed copies of our Schedules 13D and 13G filed with the SEC regarding Central Federal Corporation.

Shareholder Proposal

RESOLVED, that Central Federal Corporation ("CFBK") shareholders request that the Board of Directors (1) appoint a committee of **independent**, non-management directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of CFBK, (2) instruct the committee to retain a leading investment banking firm to advise the committee about strategic alternatives, and (3) authorize the committee and investment banker to solicit offers for the sale or merger of CFBK.

Shareholder Supporting Statement

The purpose of this proposal is to provide shareholders the opportunity to advise the board of shareholders' concerns about CFBK's strategic direction and their desire to realize the full value of the CFBK investment.

MacNealy Hoover Investment Management, Inc. is a professional, registered investment advisor managing in excess of \$175,000,000 in assets for individuals, trusts, profit-sharing plans, and non-profit organizations. We firmly believe it is our fiduciary responsibility to our clients to ensure that the directors and management of companies that we own have goals and objectives that are aligned with those of their shareholders.

CFBK's inability to control expenses, maintain asset quality and preserve shareholder equity has led us to believe the best way for shareholders to profit from the appreciation in the price of CFBK stock is a business combination with an institution that has a stock more liquid and widely traded, that has a greater depth of financial, staff and other critical resources, and a more diversified loan portfolio.

This resolution does not demand that the board accept an offer to sell or merge. But the non-management directors must evaluate this option judiciously on the basis of shareholder value alone. We strongly urge you to vote **FOR** this resolution.

To ensure that you receive the enclosed proposal by the end of December 23, 2009, the deadline specified in CFBK's proxy statement, I am providing this letter and proposal both by certified mail and by overnight courier.

Sincerely,

MacNealy Hoover Investment Management, Inc.

By:



Harry C.C. MacNealy
Chief Executive Officer

SC 13D 1 v169317_sc13d.htm

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE
13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT RULE 13d-2(a)**
(Amendment No.)

Central Federal Corporation
(Name of Issuer)

Common Stock
(Title of Class of Securities)

15346Q103
(CUSIP Number)

MacNealy Hoover Investment Management Inc.
Harry C.C. MacNealy
200 Market Ave. North, Suite 200
Canton, Ohio 44702
330-454-1010

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 15, 2009
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*)

CUSIP No. 15346Q103

Page 2 of 9 Pages

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) MacNealy Hoover Investment Management Inc.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (see instructions)	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS (see instructions) OO	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Ohio	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 366,701
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 366,701
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 366,701	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 8.9%	
14	TYPE OF REPORTING PERSON (see instructions) IA	

CUSIP No. 15346Q103

Page 3 of 9 Pages

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Harry C.C. MacNealy	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (see instructions)	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS (see instructions) PF	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States of America	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 366,701 ⁽¹⁾
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 366,701 ⁽¹⁾
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 366,701 ⁽¹⁾	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 8.9%	
14	TYPE OF REPORTING PERSON (see instructions) IN	

(1) 366,701 shares held by MacNealy Hoover Investment Management Inc., a registered investment advisor of which Mr. MacNealy is Chief Executive Officer and Chief Compliance Officer, of which 35,000 shares are beneficially owned by Mr. MacNealy in his retirement account and 20,000 shares are beneficially owned by Mr. MacNealey in his trust. Mr. MacNealy disclaims beneficial ownership of the 311,701 shares held by MacNealy Hoover not in his retirement account or trust.

CUSIP No. 15346Q103

Page 4 of 9 Pages

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Charles H. Hoover	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (see instructions)	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS (see instructions) PF	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)	<input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States of America	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 366,701 ⁽¹⁾
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 366,701 ⁽¹⁾
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 366,701 ⁽¹⁾	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions)	<input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 8.9%	
14	TYPE OF REPORTING PERSON (see instructions) IN	

(1) 366,701 are shares held by MacNealy Hoover Investment Management Inc., a registered investment advisor of which Mr. Hoover is President, of which 4,000 shares are beneficially owned by Mr. Hoover in his retirement account. Mr. Hoover disclaims beneficial ownership of the 362,701 shares held by MacNealy Hoover not in his retirement account.

CUSIP No. 15346Q103

Page 5 of 9 Pages

Item 1. Security and Issuer.

The class of equity securities to which this 13D relates is the common stock, without par value (the "Shares"), of Central Federal Corporation (the "Issuer"), which is traded on NASDAQ under the stock symbol CFBK. The Issuer was organized as a Delaware corporation in September 1998 in connection with the conversion of CFBank from a mutual to stock organization. The principal executive offices of the Issuer are located at 2923 Smith Road, Fairlawn, Ohio 44333.

Item 2. Identity and Background.

(a) This Schedule 13 D is filed jointly by each of the following persons under Rule 13d-1(k)(1) adopted by the Securities and Exchange Commission (the "SEC") under Section 13 of the Securities Exchange Act of 1934:

1. MacNealy Hoover Investment Management Inc. an Ohio corporation ("MacNealy Hoover");
2. Mr. Harry C.C. MacNealy, Chief Executive Officer and Chief Compliance Officer of MacNealy Hoover; and
3. Mr. Charles H. Hoover, President of MacNealy Hoover.

MacNealy Hoover, Mr. MacNealy, and Mr. Hoover are referred to collectively hereafter as the Filing Persons.

(b) The business address of each of the Filing Persons is 200 Market Ave. North, Suite 200, Canton, Ohio 44702.

(c) MacNealy Hoover is a registered investment advisor providing investment management services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations and other business entities. Mr. MacNealy is Chief Executive Officer and Chief Compliance Officer and Mr. Hoover is President of MacNealy Hoover. Mr. MacNealy and Mr. Hoover are the sole executive officers, directors, and controlling shareholders of MacNealy Hoover. Each of the Filing Persons conducts its business from 200 Market Ave. North, Suite 200, Canton, Ohio 44702.

(d) Negative with respect to the Filings Persons.

(e) Negative with respect to the Filing Persons.

(f) MacNealy Hoover is a corporation organized under Ohio law. Mr. MacNealy and Mr. Hoover are citizens of the United States of America.

CUSIP No. 15346Q103

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Item 3. Source and Amount of Funds or Other Consideration.

For the accounts of clients other than Mr. MacNealy and Mr. Hoover, the source of funds for the Shares for which MacNealy Hoover has management responsibility is client funds managed by MacNealy Hoover. Mr. MacNealy and Mr. Hoover purchased Shares held in their retirements accounts and Mr. MacNealy's trust with personal funds.

Item 4. Purpose of Transaction.

The Filing Persons have elected to convert their Schedule 13G Amendment No. 1 with respect to the Issuer to a Schedule 13D. The Filing Persons originally purchased the Shares believing the Shares were significantly undervalued and represented an attractive investment opportunity. Since the Filing Persons' original Schedule 13G filed on August 13, 2009, the Issuer has reported a significant deterioration in asset quality (\$3.5 million pre-tax charge or \$0.85 per share), a \$7.6 million decline in shareholders' equity, and a net year to date loss of \$1.95 per share. Additionally, the share price of the Issuer's stock has declined 54% since August 13, 2009.

MacNealy Hoover intends to engage in discussions with the board of directors of the Issuer, as well as other stockholders, about strategic ways to enhance stockholder value. The alternatives may include a merger or outright sale of the institution. The Filing Persons are prepared to take steps to ensure the board is acting in the best interest of the stockholders. MacNealy Hoover reserves the right to communicate with the Issuer's stockholders, directly or through stockholder proposals, and to communicate directly with potential acquirers of the Issuer, or take other actions deemed to be in the best interests of its client stockholders.

Other than as disclosed in this Item 4, and pursuant to the instructions for items (a) through (j) of Item 4 of Schedule 13D, none of the Filing Persons currently has plans or proposals that relate to or would result in any of the following:

- (1) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer;
 - (2) the sale or transfer of a material amount of assets of the Issuer;
 - (3) a change in the present board of directors or management of the Issuer;
 - (4) a material change in the present capitalization or dividend policy of the Issuer;
 - (5) a material change in the business or corporate structure of the Issuer;
 - (6) a change to the certificate of incorporation, or bylaws, of the Issuer, or an impediment to the acquisition of control of the Issuer by any person;
 - (7) the delisting from NASDAQ of the Shares;
 - (8) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended; or
-

CUSIP No. 15346Q103

Page 7 of 9 Pages

- (9) any action similar to any of those enumerated in (1) through (8) above.

The Filing Persons reserve the right to modify their plans and proposals described in this Item 4 and to acquire additional Shares or dispose of Shares from time to time depending on market conditions. Further, subject to applicable laws and regulations, the Filing Persons may formulate plans and proposals that may result in the occurrence of an event set forth in (1) through (9) above or in Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

- (a) Based upon the Issuer's 10-Q filed on November 16, 2009, as of October 31, 2009 there were 4,100,337 Shares issued and outstanding.

MacNealy Hoover beneficially owns 366,701 Shares, or 8.9% of the outstanding Shares. Of the 366,701 Shares held by MacNealy Hoover, Mr. MacNealy beneficially owns 35,000 Shares in his retirement account and 20,000 Shares in his Trust. Mr. MacNealy may also be deemed to beneficially own 311,701 other Shares held by MacNealy Hoover. Mr. MacNealy disclaims beneficial ownership of the 311,701 Shares held by MacNealy Hoover that he does not own through his retirement account and trust. Of the 366,701 Shares held by MacNealy Hoover, Mr. Hoover beneficially owns 4,000 Shares in his retirement account. Mr. Hoover may also be deemed to beneficially own 362,701 other Shares held by MacNealy Hoover. Mr. Hoover disclaims beneficial ownership of the 362,701 Shares held by MacNealy Hoover that he does not own through his retirement account.

- (b) The Filing Persons have both shared voting and dispositive powers for the Shares owned by MacNealy Hoover, including the Shares owned by Mr. MacNealy and Mr. Hoover in their retirement accounts and Mr. MacNealy's trust. Voting and dispositive power is shared with clients whose accounts are managed by MacNealy Hoover. Clients retain all rights of ownership in assets maintained in managed accounts. Ownership of the Issuer's Shares reported herein is distributed among more than 50 client relationships, every one of which accounts for less than 5% of the Issuer's outstanding Shares.

- (c) MacNealy Hoover has effected the following transactions since its last 13G filing:

11/19/2009 Buy 10,500 Shares at \$1.593 per share
11/24/2009 Buy 2,700 Shares at \$1.490 per share
12/07/2009 Buy 2,972 Shares \$1.283 per share

- (d) The clients of MacNealy Hoover own of record or in street name the Shares reported herein, and as such they have the sole right to dividends paid on and proceeds from the sale of the Issuer's Shares. None of MacNealy Hoover's clients individually own more than 5% of the Shares.

- (e) Not applicable.
-

CUSIP No. 15346Q103

Page 8 of 9 Pages

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

There are no contracts, arrangements, understandings, or relationships among the Filing Persons or between the Filing Persons, and any other person, including but not limited to any client of MacNealy Hoover concerning the Shares. As an investment advisor, MacNealy Hoover manages client accounts in accordance with the terms of the investment management agreements with its clients and the general investment objectives communicated by clients. Under the terms of its management agreements, MacNealy Hoover is entitled to receive fees for its investment management services, including fees calculated as a percentage of assets under management.

Item 7. Material to be Filed as Exhibits.

7.1 Joint Filing Agreement

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: December 17, 2009

MacNealy Hoover Investment Management Inc.

/s/ Harry C.C. MacNealy
By: Harry C.C. MacNealy, CEO and CCO

/s/ Harry C.C. MacNealy
Harry C.C. MacNealy, Individually

/s/ Charles H. Hoover
Charles H. Hoover, Individually

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
7.1	Joint Filing Agreement

SC 13G 1 macnealy13g.htm BODY OF SC 13G

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 13G
Under the Securities Exchange Act of 1934
(Amendment No.)**

Central Federal Corporation

(Name of Company)

Common Stock

(Title of Class of Securities)

15346Q103

(CUSIP Number)

August 12, 2009

(Date of Event Which Requires Filing of This Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Person 1

1.	(a) Names of Reporting Persons. MacNealy Hoover Investment Management (b) Tax ID 34-1891992
2.	Check the Appropriate Box if a Member of a Group (See Instructions) (a) <input type="checkbox"/> (b) <input type="checkbox"/>
3.	SEC USE ONLY
4.	Citizenship or Place of Organization USA
Number of Shares Beneficially Owned by Each Reporting Person With	5. Sole Voting Power 0
	6. Shared Voting Power 242,156
	7. Sole Dispositive Power 0
	8. Shared Dispositive Power 242,156
9.	Aggregate Amount Beneficially Owned by Each Reporting Person 242,156
10.	Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) <input type="checkbox"/>
11	Percent of Class Represented by Amount In Row (9) 5.9%
12	Type of Reporting Person (See Instructions)

MacNealy Hoover Investment Management is a registered investment advisor providing investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and other business entities. In that capacity, the firm has voting power, investment power, or both over an aggregate of 242,156 shares. Mr. MacNealy personally owns 31,000 shares in his retirement account and 10,000 shares in his trust account. Mr. Hoover owns 4,000 shares in his retirement account.

Item 1. (a) Name of Issuer.

Central Federal Corporation

(b) Address of Issuer's Principal Executive Offices.

2923 Smith Road, Fairlawn, Ohio 44333

Item 2. (a) Name of Person Filing.

MacNealy Hoover Investment Management

(b) Address of Principal Business Office or, if none, Residence.

200 Market Ave. N., Suite 200, Canton, Ohio 44702

(c) Citizenship.

USA

(d) Title of Class of Securities.

Common Stock

(e) CUSIP Number.

15346Q103

Item 3. If this statement is filed pursuant to 240.13d-1(b), or 240.13d-2(b) or (c), check whether the person filing is a:

- (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78c);
- (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c);
- (c) Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c);
- (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8);
- (e) An investment adviser in accordance with 240.13d-1(b)(1)(ii)(E);
- (f) An employee benefit plan or endowment fund in accordance with 240.13d-1(b)(1)(ii)(F);

- (g) [] A parent holding company or control person in accordance with 240.13d-1(b)(1)(ii)(G);
- (h) [] A savings associations as defined in section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i) [] A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j) [] A non-U.S. institution in accordance with 240.13d-1(b)(1)(ii)(J);
- (k) [] Group, in accordance with 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with 240.13d-1(b)(1)(ii)(J), please specify the type of institution.

Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

- (a) Amount beneficially owned: 242,156
- (b) Percent of class: 5.9%
- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote: 0
 - (ii) Shared power to vote or to direct the vote: 242,156
 - (iii) Sole power to dispose or to direct the disposition of: 0
 - (iv) Shared power to dispose or to direct the disposition of: 242,156

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [].

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

- Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.**
- Item 8. Identification and Classification of Members of the Group.**
- Item 9. Notice of Dissolution of Group.**
- Item 10. Certification.**

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

August 12, 2009

Date

/s/ MacNealy Hoover Investment Management

Signature

Harry C.C. MacNealy
CEO and CCO

Name/Title

EXHIBIT A

Transactions within the last sixty days

6/12/2009 through 8/12/2009

6/16 Buy 2,700 \$3.013

6/17 Buy 6,000 3.008

6/24 Buy 97 2.662

6/26 Buy 3,200 2.76

6/30 Buy 4,446 2.77

7/02 Buy 6,000 2.76

8/07 Buy 14,600 2.473

8/10 Buy 11,000 2.58

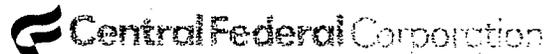
8/11 Buy 2,303 2.59

8/12 Buy 3,000 2.71

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001)

FROST BROWN TODD LLC

Exhibit B



BY FAX (330-454-1003) & OVERNIGHT MAIL

December 29, 2009

Mr. Harry C.C. MacNealy
MacNealy Hoover Investment Management, Inc.
Millennium Centre
200 Market Ave. N.
Suite 200
Canton, Ohio 44702

Re: Shareholder Proposal – Notice of Defect

Dear Mr. MacNealy:

I am writing in response to a letter I received on December 23, 2009 from Christopher J. Hubbert of Kohrman Jackson & Krantz, submitting a shareholder proposal on behalf of MacNealy Hoover Investment Management, Inc. for inclusion in the Company's proxy statement for the 2010 Annual Meeting of Stockholders. The letter and your shareholder proposal were each dated December 22, 2009. Per Mr. Hubbert's letter, I am directing this response to your attention.

Your letter indicates that the proposal conforms to the requirements of Rule 14a-8 of the Securities Exchange Act of 1934 and other applicable proxy rules and interpretations of the Securities and Exchange Commission concerning submission and content of proposals.

I am writing to notify you that MacNealy Hoover has failed to establish its eligibility to submit a shareholder proposal pursuant to Rule 14a-8 because MacNealy Hoover has not provided satisfactory evidence that as of December 22, 2009 (the date on which you submitted your proposal) MacNealy Hoover had held at least \$2,000 in market value, or 1%, of the Company's voting stock continuously for at least one year. Specifically: (1) MacNealy Hoover is not a registered holder of Company securities (Rule 14a-8(b)(2)); (2) MacNealy Hoover has not submitted to the Company a written statement from the "record" holder of the shares (usually a broker or bank) verifying that, at the time MacNealy Hoover submitted its proposal, MacNealy Hoover had continuously held such shares for at least one year (Rule 14a-8(b)(2)(i)); and (3) MacNealy Hoover has not provided the Company with an SEC filing referenced in Rule 14a-8(b)(2)(ii) reflecting MacNealy Hoover's ownership of the shares as of or before the date on which the one-year eligibility period begins.

Before we can process your proposal, we need to confirm that MacNealy Hoover satisfies the eligibility requirements of Rule 14a-8.

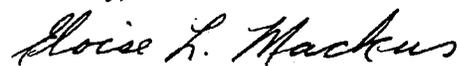
Rule 14a-8(b) requires you to submit to the Company written verification that, at the time you submitted your proposal, you had continuously held at least \$2,000 in market value, or 1% of the Company's voting stock, for a period of at least one year. The Schedules 13G and 13D that you submitted with your proposal reflect ownership only as of August 12, 2009 and December 15, 2009, respectively. Those Schedules do not demonstrate your ownership as of or before the date on which the one-year eligibility period begins (December 22, 2008). As such, the proposal does not meet the requirements of Rule 14a-8(b). I also bring to your attention the requirement in Rule 14a-8(b)(2)(ii)(A) that when submitting a copy of a Schedule 13D or 13G to the Company to prove ownership, you must also submit any subsequent amendments reporting a change in your ownership level.

In order for MacNealy Hoover's proposal to be properly submitted, you must provide the Company with the proper written evidence that MacNealy Hoover meets the shareownership and holding requirements of Rule 14a-8(b). As required by statute, your response correcting the noted procedural and eligibility deficiencies must be postmarked or transmitted electronically to the Company no later than 14 calendar days from the date of your receipt of this letter. If you do not provide the requested documentation within 14 days of your receipt of this letter, we believe that the Company will be entitled to omit the proposal from its proxy statement in connection with the 2010 Annual Meeting. You may also wish to consider withdrawing the proposal.

The proxy rules also provide certain substantive criteria pursuant to which a company is permitted to exclude from its proxy materials a stockholder's proposal. This letter addresses only the procedural requirements for submitting your proposal and does not address or waive any of our substantive concerns. If the deficiencies noted above are not remedied, the Company intends to submit a letter to the SEC's Division of Corporation Finance seeking the staff's concurrence with the Company's view that it is entitled under the rules to omit the proposal. In accordance with Rule 14a-8(j), the Company will furnish you a copy of its submissions to the SEC. For your reference, I am enclosing a copy of Rule 14a-8.

Please address any future correspondence to my attention.

Sincerely,



Eloise L. Mackus

CC: SJElcessor, Frost Brown Todd
CJHubbert, Kohrman Jackson & Krantz

FROST BROWN TODD LLC

Exhibit C

MacNealy Hoover Investment Management, Inc.
 Millennium Centre
 200 Market Ave. N., Ste. 200
 Canton OH 44702
 330-454-1010 phone
 330-454-1003 fax



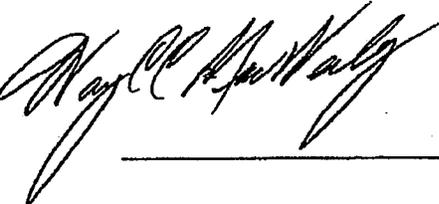
Fax

To: <i>ELDISE MACRUS</i>	From: <i>HARRY MAC NEALY</i>
Fax: <i>330-666-7959</i>	Pages: <i>1 OF 2</i>
Phone: <i>330-666-7979</i>	Date: <i>1/5/09</i>
Re: <i>SPINNEHOLTER PROPOSAL</i>	CC:

Urgent For Review Please Comment Please Reply Please Recycle

● **Comments:**

DEAR MS. MACRUS,
PER YOUR 12/30/09 COMMUNICATION,
I AM ATTACHING VERIFICATION OF OWNERSHIP FOR
MORE THAN ONE YEAR FROM THE CUSTODIAN,
CHARLES SCHWAB. PLEASE CONTACT ME IF YOU
HAVE ANY OTHER QUESTIONS.

SINCERELY,


charles SCHWAB
INSTITUTIONAL

PO Box 628280 Orlando Florida 32862-8290

January 4, 2010

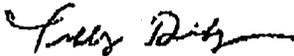
Central Federal Corporation
Attn: Ms. Eloise L. Mackus
2923 Smith Road
Fairlawn, Ohio 44333

RE: Schwab Custody of CFBK Stock

Dear Ms. Mackus,

MacNealy Hoover Investment Management, Inc., an independent investment advisor, managed client accounts that held 104,141 shares of CFBK common stock at Charles Schwab & Co., Inc. as of December 18, 2008. Of these 104,141 shares, Harry MacNealy held 31,000 shares in his retirement account and 10,000 shares in his trust account. Charles Hoover held 4,000 shares in his retirement account. MacNealy Hoover Investment Management has managed more than \$2,000 worth of CFBK stock for more than one year.

Sincerely,



Tiffany DeSouza
Team Manager
Charles Schwab Advisor Services

MacNealy
Hoover
Investment
Management, Inc.

Millennium Centre
200 Market Ave. N.
Suite 200
Canton, Ohio 44702
Phone: 330-454-1010
Fax: 330-454-1003

January 19, 2010

Securities and Exchange Commission
Division of Corporate Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: Central Federal Corporation Shareholder Proposal submitted by
MacNealy Hoover Investment Management, Inc.

Response to Frost, Brown, Todd 1/14/2010 correspondence

Office of Chief Counsel,

It is my sincere belief that we have complied with the requirements to have our Shareholder Proposal included on the Central Federal Corporation proxy. I have attempted to summarize their objections as follows:

Issue 1 Continuous ownership of Central Federal Corporation shares

The attached correspondence from Charles Schwab, custodian of CFBK shares, to Ms. Eloise Mackus (Central Federal Corporation's in house legal counsel) clearly states that Harry C.C. MacNealy has maintained continuous ownership of 41, 000 shares of CFBK common shares since December 18, 2008.

Issue 2 Merit of the proposal

This is in no way a frivolous proposal, nor does the proposal in any way constitute what Central Federal Corporation does in the ordinary business operations of the company. Shareholders have seen their value of their equity dramatically decline in the last several years and currently have no reason to believe that the Board of Directors and management team will pursue actions that are in the best interest of shareholders. This proposal attempts to address shareholders' concerns via the appointment of an independent and impartial

committee. The fact that Central Federal Corporation has so rigorously pursued the exemption of this proposal from their proxy is deeply indicative of their desire to exclude shareholders from vital decisions.

I urge you to consider including the shareholder proposal in Central Federal Corporation's proxy.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Harry C.C. MacNealy", with a long, sweeping underline that extends to the right.

Harry C.C. MacNealy
C.E.O. and C.C.O.

MacNealy Hoover Investment Management, Inc.

Cc: Ms. Eloise Mackus, Central Federal Corporation
Mr. Steven Elcessor, Frost, Brown, & Todd
Mr. Christopher Hubbert

charles SCHWAB
INSTITUTIONAL

PO Box 628290 Orlando Florida 32862-8290

January 14, 2010

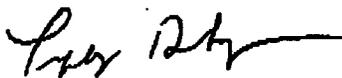
Central Federal Corporation
Attn: Ms. Eloise L. Mackus
2923 Smith Road
Fairlawn, Ohio 44333

RE: Schwab Custody of CFBK Stock

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Sincerely,



Tiffany DeSouza
Team Manager
Charles Schwab Advisor Services

MacNealy
Hoover
Investment
Management, Inc.

Millennium Centre
200 Market Ave. N.
Suite 200
Canton, Ohio 44702
Phone: 330-454-1010
Fax: 330-454-1003

January 14, 2010

Central Federal Corporation
Attn. Ms. Eloise Mackus
2923 Smith Rd.
Fairlawn , Ohio 44333

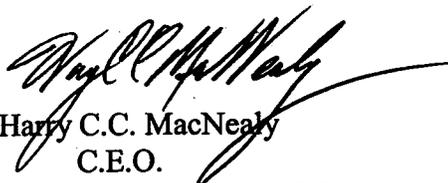
RE: Shareholder Proposal

Dear Ms. Mackus,

After reviewing the fax of January 14, 2010 from your legal counsel Frost Brown Todd LLC., we continue to believe our proposal meets the requirements for inclusion in your proxy statement. Please find the attached correspondence from Charles Schwab which clearly identifies Harry C.C. MacNealy's continuous ownership of Central Federal Corporation during the required period.

Additionally, a written request for a current list of Central Federal Corporation's shareholders will be forth coming from my legal counsel of Kohrman Jackson & Krantz PLL. Thank you in advance for your cooperation.

Sincerely,



Harry C.C. MacNealy
C.E.O.

MacNealy Hoover Investment Management, Inc.

Cc: Mr. Christopher J. Hubbert

Frost Brown Todd^{LLC}

A T T O R N E Y S

OHIO · KENTUCKY · INDIANA · TENNESSEE · WEST VIRGINIA

Steven J. Ellcessor
(614) 559-7225
SELLCESSOR@FBTLAW.COM

January 14, 2010

VIA E-MAIL (shareholderproposals@sec.gov)

Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

**Re: Central Federal Corporation
Securities Exchange Act of 1934; Rule 14a-8
Omission of Shareholder Proposal Submitted by
MacNealy Hoover Investment Management, Inc.**

Ladies and Gentlemen:

We are writing on behalf of our client Central Federal Corporation (the "Company") with regard to a shareholder proposal and supporting statement (the "Proposal") submitted by MacNealy Hoover Investment Management, Inc. (the "Proponent") for inclusion in the proxy statement and form of proxy (collectively, the "Proxy Materials") to be distributed by the Company in connection with its 2010 annual meeting of stockholders. A copy of the Proposal and related correspondence is attached hereto as Exhibit A.

On behalf of the Company, we respectfully request that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with the Company's view that, for the reasons stated below, the Proposal may properly be omitted from the Proxy Materials pursuant to Exchange Act Rules 14a-8(b) and 14a-8(i)(7). Pursuant to Rule 14a-8(j), this letter is being submitted not less than 80 calendar days before the Company files its definitive Proxy Materials with the Commission.

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008) ("SLB 14D"), this letter, together with the Proposal and related correspondence, is being submitted by e-mail to shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), copies of this submission are being sent concurrently to the Proponent and Proponent's counsel as notification of the Company's intention to omit the Proposal from its Proxy Materials. The Company agrees to promptly forward to the Proponent any response from the Staff to this no-action request that the Staff transmits by e-mail or facsimile to the Company only. Finally, Rule 14a-8(k) and SLB 14D provide that shareholder proponents are required to

send companies a copy of any correspondence that the shareholder proponent elects to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company.

THE PROPOSAL

The resolution contained in the Proposal reads as follows:

RESOLVED, that Central Federal Corporation ("CFBK") shareholders request that the Board of Directors (1) appoint a committee of **independent**, non-management directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of CFBK, (2) instruct the committee to retain a leading investment banking firm to advise the committee about strategic alternatives, and (3) authorize the committee and investment banker to solicit offers for the sale or merger of CFBK. (Emphasis in original.)

GROUND FOR EXCLUSION

The Company requests that the Staff concur with the Company's view that the Proposal is excludable under item (b) of Rule 14a-8 because the Proponent has failed to provide the requisite proof of continuous ownership in response to the Company's proper request for that information and also under item (i)(7) of Rule 14a-8 on ordinary business grounds.

DISCUSSION

A. The Proponent has not demonstrated eligibility under Rule 14a-8(b).

Under Rule 14a-8(b) of the Exchange Act, in order to be eligible to submit a proposal, a proponent must have continuously held at least \$2,000 in market value, or 1%, of the Company's securities entitled to vote on the proposal for at least one year and continue to hold these securities through the date of the shareholders' meeting. If a proponent is not a registered holder of the company securities entitled to vote on the proposal and has not filed a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 reflecting ownership of the company's securities as of or before the date on which the one-year eligibility period begins, a proponent may prove eligibility by submitting a written statement from the record holder of the securities verifying that at the time the proponent submitted the proposal that the proponent had held the securities for at least one year. Staff Legal Bulletin No. 14 (July 13, 2001) ("SLB 14") specifies that when the shareholder is not the registered holder, the shareholder "is responsible for proving his or her eligibility to submit a proposal to the company," which the shareholder may do by one of the two ways provided in Rule 14a-8(b).

Mr. Hubbert, counsel for Proponent, submitted the Proposal, dated December 22, 2009, to the Company via overnight mail, which the Company received on December 23, 2009. Submitted with the Proposal as written evidence of Proponent's eligibility were copies of the Proponent's Schedules 13D and 13G, filed with the Commission on August 13, 2009 and December 17, 2009, respectively. However, those Schedules demonstrated Proponent's ownership of Company shares only as of August 12, 2009 and December 15, 2009, not as of or before December 22, 2008 (the date the one-year ownership period begins). The Schedules are included in Exhibit A attached hereto. The Proponent submitted no other written verification of Proponent's ownership of Company shares. The Company reviewed its stock

records, which did not indicate that the Proponent was the record owner of Company shares.

Accordingly, the Company sought verification from the Proponent of the Proponent's eligibility to submit the Proposal. Specifically, the Company sent a letter via Federal Express (to Proponent and Proponent's counsel) on December 29, 2009, which was within 14 calendar days of the Company's receipt of the Proposal, notifying Proponent of the requirements of Rule 14a-8 and how the Proponent could cure the procedural and eligibility defects (the "Notice of Defect"). A copy of the Notice of Defect and proof of delivery on December 30, 2009 are attached as Exhibit B.

In response to the Notice of Defect, Proponent faxed to the Company a letter from Charles Schwab Institutional, dated January 4, 2010 (the "Charles Schwab Letter"), indicating that Proponent has managed more than \$2,000 worth of Company shares for more than one year as of January 4, 2010 and that Proponent, an independent investment advisor, managed client accounts that held 104,141 shares of Company common stock at Charles Schwab & Co., Inc. as of December 18, 2008. The fax from Proponent and the Charles Schwab Letter are attached as Exhibit C.

While the Charles Schwab Letter indicates that Proponent managed accounts that held Company shares for more than one year as of January 4, 2010, the Charles Schwab Letter is insufficient to establish Proponent's ownership under Rule 14a-8(b). To demonstrate eligibility, Proponent was required to submit proof that Proponent continuously held the required number of Company shares for at least one year from the date Proponent submitted the Proposal, December 22, 2009. The Charles Schwab Letter reflects ownership of Company shares as of December 18, 2008 and for a period of at least one year from January 4, 2010, the date of the Charles Schwab Letter. The Charles Schwab Letter does not, however, establish that Proponent owned any Company shares as of December 22, 2008 or that Proponent continuously owned the requisite number of Company shares for a one year period as of December 22, 2009, the date Proponent submitted the Proposal.

The Company has not received any other documentary evidence of Proponent's ownership of shares in response to the Notice of Defect.

Rule 14a-8(f) provides that a company may exclude a shareholder proposal if the proponent fails to provide evidence of eligibility under Rule 14a-8, including the beneficial ownership requirements of Rule 14a-8(b), provided that the company timely notifies the proponent of the problem and the proponent fails to correct the deficiency within the required time. The Company satisfied its obligation under Rule 14a-8 by transmitting to Proponent in a timely manner the Notice of Defect, which provided:

- the ownership requirements of Rule 14a-8(b);
- that, according to the Company's stock records, the Proponent was not a record owner of Company shares;
- the type of statement or documentation necessary to demonstrate beneficial ownership under Rule 14a-8(b);
- that any response had to be postmarked or transmitted electronically no later than 14 calendar days from the date the Proponent received the Notice of Defect; and
- that a copy of the shareholder proposal rule set forth in Rule 14a-8 was enclosed.

On numerous occasions the Staff has taken a no-action position concerning a company's omission of shareholder proposals based on a proponent's failure to provide satisfactory evidence of eligibility under Rule 14a-8(b) and Rule 14a-8(f)(1). *See General Electric Co.* (Available December 16, 2009) (concurring with the exclusion of a shareholder proposal submitted on October 28, 2009 where the proposal was dated October 27, 2009 and the documentary evidence demonstrating ownership of the company's securities covered a continuous period ending October 27, 2009); *Time Warner Inc.* (Available February 19, 2009) (concurring with the exclusion of a shareholder proposal under Rule 14a-8(b) and Rule 14a-8(f) and noting that "the proponent appears to have failed to supply, within 14 days of receipt of Time Warner's request, documentary support sufficiently evidencing that the proponent satisfied the minimum ownership requirement for the one-year period required by Rule 14a-8(b)"); *Alcoa Inc.* (Available February 18, 2009); *Qwest Communications International, Inc.* (Available February 28, 2008); *Occidental Petroleum Corp.* (Available November 21, 2007); *General Motors Corp.* (Available April 5, 2007); *Yahoo, Inc.* (Available March 29, 2007); *CSK Auto Corp.* (Available January 29, 2007); *Motorola, Inc.* (Available January 10, 2005), *Johnson & Johnson* (Available January 3, 2005); *Agilent Technologies* (Available November 19, 2004); *Intel Corp.* (Available January 29, 2004); *Moody's Corp.* (Available March 7, 2002).

As mentioned above, SLB 14 places the burden of proving the ownership requirements on the proponent: the shareholder "is responsible for proving his or her eligibility to submit a proposal to the company." In addition, the Staff has previously made clear the need for precision in the context of demonstrating a shareholder's eligibility under Rule 14a-8(b) to submit a shareholder proposal. SLB 14 provides the following:

If a shareholder submits his or her proposal to the company on June 1, does a statement from the record holder verifying that the shareholder owned the securities continuously for one year as of May 30 of the same year demonstrate sufficiently continuous ownership of the securities as of the time he or she submitted the proposal?

No. A shareholder must submit proof from the record holder that the shareholder continuously owned the securities for a period of one year as of the time the shareholder submits the proposal.

Accordingly, the Staff has consistently taken the position that if a proponent does not provide documentary support sufficiently evidencing that it has satisfied the minimum ownership requirement for the one-year period specified by Rule 14a-8(b), the proposal may be excluded under Rule 14a-8(f). *See Nabors Industries Ltd.* (Available March 8, 2005) (letter from a bank stating ownership for more than one year "prior to January 12, 2005" was insufficient to provide proof of ownership for the year preceding January 7, 2005, the date of proposal submission). The Staff also has consistently permitted companies to omit shareholder proposals when the evidence of ownership submitted by a proponent covers a period of time that falls short of the required one-year period prior to the submission of the proposal. *See General Electric Co.* (Available January 9, 2009) (concurring with the exclusion of a shareholder proposal where the proposal was submitted November 10, 2008 and the documentary evidence demonstrating ownership of the company's securities covered a continuous period ending November 7, 2008); *International Business Machines Corp.* (Available December 7, 2007) (concurring with the exclusion of a shareholder proposal where the proponent submitted a broker letter dated four days before the proponent submitted its proposal to the company); *Wal-Mart Stores, Inc.* (Available February 2, 2005) (concurring with the exclusion of a shareholder proposal where the proposal was submitted December 6, 2004 and the documentary evidence demonstrating ownership of the company's securities covered a continuous period ending November 22, 2004); *Gap, Inc.* (Available March 3, 2003) (concurring with the exclusion of a shareholder proposal where the date of submission was November 27, 2002 but the documentary

evidence of the proponent's ownership of the company's securities covered a two-year period ending November 25, 2002); *AutoNation, Inc.* (Available March 14, 2002) (concurring with the exclusion of a shareholder proposal where the proponent had held shares for two days less than the required one-year period).

Similarly, in this instance, Proponent submitted proof of ownership with a date gap and, thus, failed to provide sufficient documentary support of continuous ownership of Company shares for the one-year period as required by Rule 14a-8(b). Proponent could have simply procured a properly dated statement from the record holder regarding its ownership of the shares, assuming it satisfied the applicable ownership requirements on that date. Because Proponent has not sufficiently demonstrated ownership of the requisite number of Company shares for the one-year period prior to the date the Proposal was submitted to the Company as required by Rule 14a-8(b), the Company may exclude the Proposal under Rule 14a-8(b) and Rule 14a-8(f)(1).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials.

B. The Proposal Deals with Matters Relating to the Company's Ordinary Business Operations, and, Therefore, the Proposal is Excludable Under Rule 14a-8(i)(7).

The Proposal may be excluded for substantive, as well as procedural deficiencies. The subject matter of the Proposal—strategic alternatives for maximizing shareholder value—relates to the Company's ordinary business operations. Accordingly, the Proposal may be omitted from the Company's Proxy Materials under Rule 14a-8(i)(7).

Rule 14a-8(i)(7) provides for the exclusion of a shareholder proposal where the proposal addresses a matter relating to a company's ordinary business operations. The Commission has explained that the "general underlying policy of this exclusion is consistent with the policy of most state corporate laws: to confine the resolution of ordinary business problems to management and the board of directors." Exchange Act Release No. 34-40018 (May 21, 1998).

The proposal requests that the Board of Directors (1) appoint a committee of independent directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of the Company, (2) instruct the committee to retain an investment bank to advise the committee about strategic alternatives, and (3) authorize the committee and investment bank to solicit offers for the sale or merger of the Company. The Company is a Delaware corporation, and under the Delaware General Corporation Law ("DGCL"), the board of directors has the authority to conduct the ordinary business of the corporation. Section 141 of the DGCL provides that "the business and affairs of every corporation organized under this chapter shall be managed by or under the direction of a board of directors, except as may be otherwise provided in this chapter or in its certificate of incorporation." The Company's certificate of incorporation does not contain any limitation on the board's authority to so manage the Company. The pursuit of enhanced stockholder value is one of the basic premises underlying corporate law. A board of directors of a Delaware corporation has no more fundamental duty than seeking ways to maximize the value of the corporation for the benefit of its stockholders.

In applying Rule 14a-8(i)(7), the Staff has drawn a distinction between proposals that seek to reinforce management's generalized obligation to maximize shareholder value and those that direct

management to take specific steps in connection with an "extraordinary corporate transaction," finding the former type excludable. *Compare First Charter Corporation* (Available January 18, 2005) (finding a proposal mandating formation of a special committee "with authority to explore strategic alternatives for maximizing shareholder value, including the sale of the Corporation" to be excludable pursuant to Rule 14a-8(i)(7)) with *Allegheny Valley Bancorp, Inc.* (Available January 3, 2001) (proposal directing the board of directors to hire an investment bank for the specific purpose of soliciting offers for the purchase of the bank's stock or assets could not be excluded).

Proposals that center on strategic direction are generally considered within the province of the board of directors, and hence ordinary. Those that focus on a specific major transaction often fall into the extraordinary category. *See Medallion Financial Corp.* (Available May 11, 2004) (proposal requesting "investment banking firm be engaged to evaluate alternatives to maximize stockholder value including a sale of the Company" properly excluded pursuant to 14a-8(i)(7)). The Staff has acknowledged on several occasions that where "the proposal appears to relate to both extraordinary transactions and non-extraordinary transactions," a basis exists for the omission of the proposal pursuant to Rule 14a-8(i)(7). *See Peregrine Pharmaceuticals, Inc.* (Available July 31, 2007); *Bristol-Myers Squibb Company* (Available February 22, 2006); *AltiGlen Communication, Inc.* (Available November 16, 2006); and *Medallion Financial Corp.* (Available May 11, 2004).

The first sentence of the resolution contained in the Proposal calls for the Company's Board of Directors to appoint a committee of independent directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of the Company. While the Proposal cites as examples of strategic alternatives the sale or merger of the Company, nothing in the Proposal or the supporting statement indicates that strategic alternatives are limited to only the sale or merger of the Company, or that the committee's or investment bank's options, in evaluating strategic alternatives for maximizing shareholder value, are confined to taking the steps necessary to effect a sale or merger of the Company.

In fact, the very next sentence of the resolution contained in the Proposal, which requests that the Company retain a leading investment banking firm "to advise the committee about strategic alternatives," makes no reference to a sale or merger of the Company or any other specific corporate transaction, let alone a specific extraordinary corporate transaction. Were the Proposal intended to limit strategic alternatives for maximizing shareholder value to either the sale or merger of the Company, that sentence would have limited the scope of the engagement of the investment bank to advising the committee about the sale or merger of the Company. The next and final sentence of the resolution requests the board to *authorize* the committee and investment bank to solicit offers for the sale or merger of the Company. However, neither the Proposal nor the supporting statement require the committee or investment bank to solicit offers for the sale or merger of the Company, to present offers for the sale or merger of the Company to the Company's shareholders, or to even take all steps necessary to solicit offers for the sale or merger of the Company. Rather, the Proposal only calls for the board to provide the committee and the investment bank with the authorization to solicit offers for the sale or merger of the Company. Accordingly, as the committee and investment bank evaluate strategic alternatives, the decision to solicit offers for the sale or merger of the Company remains within the discretion of the committee and the investment bank. The committee could maximize shareholder value through any number of actions short of an extraordinary corporate transaction, and the Proposal is not requesting the committee to effect an extraordinary transaction.

The Proponent states in the supporting statement that it is concerned with the Company's "inability to control expenses, maintain asset quality and preserve shareholder equity" and that the purpose of the Proposal is to advise the Company's board of the shareholders' concerns about the Company's strategic direction and to have the Company's non-management directors evaluate strategic alternatives, including the sale or merger of the Company, for maximizing shareholder value. Read together, the purpose and object of the Proposal relate to evaluating strategic alternatives for the purpose of maximizing shareholder value, not to a specific extraordinary transaction. While the Proposal cites a sale or merger as examples of strategic alternatives, the Proposal neither limits strategic alternatives to those two options (or similar extraordinary transaction) nor requires the board or the committee to take specific steps or all necessary actions to solicit offers for the sale or merger of the Company, to present such an offer to the shareholders, or to even seek such an offer.

The Staff has routinely approved the exclusion of shareholder proposals under Rule 14a-8(i)(7) as an ordinary matter of business strategy when the shareholder proposal, like the Proposal here, directs the retention of third-party advisors to investigate strategic alternatives. In *Fifth Third Bancorp* (Available January 17, 2007), the Staff permitted the exclusion of a proposal with language quite similar to the language in the instant Proposal. The proposal there requested the board to immediately engage a nationally recognized investment banking firm to propose and evaluate strategic alternatives that could enhance shareholder value including but not limited to a merger or outright sale. The Staff concluded that the proposal appeared to relate to both extraordinary transactions and non-extraordinary transactions. See also *First Charter Corporation* (Available January 18, 2005) (allowing exclusion of proposal to establish independent director committee and retain investment bank to explore strategic alternatives, including the solicitation, evaluation and negotiation of offers to purchase the company); *Medallion Financial Corp.* (Available May 11, 2004) (allowing exclusion of proposal to engage an investment banking firm to evaluate alternatives to maximize shareholder value, including sale of company); *BKF Capital Group* (Available February 27, 2004) (allowing exclusion of proposal to engage investment banking firm to evaluate alternatives to maximize stockholder value including sale of company); *Lancer Corporation* (Available March 13, 2002) (allowing exclusion of proposal to retain investment bank to develop valuation of shares and explore strategic alternatives to maximize value); *Virginia Capital Bancshares, Inc.* (Available January 16, 2001) (allowing exclusion of proposal to retain investment bank to prepare report enumerating ways to improve stock value); *Marsh Supermarkets, Inc.* (Available May 8, 2000) (allowing exclusion of proposal that board consider engaging investment banker to explore all alternatives to enhance value of company).

The mention in the Proposal that alternatives for enhancing shareholder value may include a sale or merger of the Company does not change the fact that the Proposal deals primarily with the enhancement of shareholder value, a matter of ordinary business squarely within the province of the board of directors of a Delaware corporation. The Staff has consistently granted no-action relief under Rule 14a-8(i)(7) when a shareholder proposal combines ordinary business and extraordinary business matters. See *Bristol-Myers Squibb, supra*; *First Charter, supra*; *Medallion Financial, supra*; *BKF Capital, supra*; *Vista Bancorp, Inc.* (Available January 22, 2001) (allowing exclusion of proposal to retain a qualified financial advisory and bank consulting firm to explore strategic alternatives, including acquisition opportunities, "merger of equals," and sale to or merger with a larger financial institution); *Bowl America, Inc.* (Available September 19, 2000) (allowing exclusion of proposal to hire investment banker to review and recommend ways to enhance shareholder value, where review should include, but not be limited to, possible sale, merger, liquidation, other reorganization or privatization of the company, sale of real estate assets and sale of investment assets); *NACCO Industries* (Available March 29, 2000) (allowing

exclusion of proposal to retain investment bank to explore all alternatives to enhance company value, including possible sale, merger or other transaction for any or all assets of the company); *Sears, Roebuck & Co.* (Available February 7, 2000) (allowing exclusion of proposal to retain investment bank to prepare for a sale of all or parts of the company).

The Company is aware of the Staff's decisions in the Allegheny Valley Bancorp and First Franklin Corporation no-action letters, where the Staff did not permit the exclusion of shareholder proposals. In those and similar situations, the proposals at issue unequivocally sought to effect extraordinary corporate transactions and did not include ordinary business matters. See *Allegheny Valley Bancorp, Inc.* (Available January 3, 2001) (declining to approve exclusion of proposal to retain investment bank for purpose of soliciting offers for the company's stock or assets and present highest cash offer to shareholders) and *First Franklin Corporation* (Available February 22, 2006) (finding that a proposal to engage the services of an investment banking firm to evaluate alternatives to enhance shareholder value and to take all necessary steps to actively seek a sale or merger was not properly excludable). Those cases are distinguishable from the instant Proposal, however, because the Staff found that those proposals involved a request for a specific, extraordinary business transaction, not just a request for the exploration of strategic options *including* a sale or merger. By its clear language, the instant Proposal does not mandate that the committee take any specific steps to solicit offers for an extraordinary transaction or take all steps necessary to effect an extraordinary transaction. Rather, it just wants the directors to do what they are otherwise already supposed to do as part of their ordinary duties—consider options to maximize shareholder value, and it goes ahead to suggest that an investment banker be used and that the board committee selected be *authorized* to solicit offers if, presumably, it should determine that doing so would be the best way to maximize shareholder value. There is no request here that the board do anything more than consider a sale or merger as one possible way to improve shareholder value.

Even if the Proposal and supporting statement could be read to broadly encompass both extraordinary business transactions and ordinary business operations, the proposal should be excludable. *Sears, Roebuck & Co.* (February 7, 2000) (proposal related to retention of investment bank to prepare for a sale of all or parts of the company excludable as relating to ordinary business). The Staff has consistently granted requested no-action relief pursuant to Rule 14a-8(i)(7) where the shareholder proposal was determined to relate to non-extraordinary matters, even though, in some cases, the proposals suggested both ordinary and extraordinary courses of action. See *Telular Corporation* (December 5, 2003) (proposal requesting a review of strategic alternatives for maximizing shareholder value, including sale, merger, spin-off, split-off or divestiture of the Company or a division thereof excludable as relating to ordinary business); *Archon Corporation* (March 10, 2003) (proposal related to appointing a committee of independent, non-management directors to explore strategic alternatives to maximize shareholder value excludable as relating to ordinary business).

Moreover, the Staff has consistently taken the position that it will not allow revisions under Rule 14a-8(i)(7) and that if any portion of a proposal is excludable because it relates to a company's ordinary business activities, the entire proposal may be excluded. See *Bristol-Myers Squibb Company* (February 22, 2006) (where the proposal appears to relate to both extraordinary transactions and non-extraordinary transactions, a basis exists for the omission of the proposal pursuant to Rule 14a-8(i)(7)); *Archon Corporation* (March 10, 2003) (allowing for the omission of a proposal relating to the retention of an investment bank to advise an independent board committee on strategic alternatives because portions of the proposal related to ordinary business operations).

In the instant case, the Proposal, by its terms, is not limited to an extraordinary transaction but rather deals very generally with the maximization of shareholder value. While the Proponent's submission

Office of Chief Counsel
Division of Corporation Finance
January 14, 2010
Page 9

mentions one transaction in particular (a sale or merger) in discussing strategic alternatives to maximize shareholder value, the Staff has consistently deemed such discussion insufficient to overcome the defect of not addressing extraordinary transactions exclusively. *Id.*

CONCLUSION

The Proposal relates to an exploration of ways to improve shareholder value and contemplates a variety of transactions, but does not request that any particular option be chosen or approved. Ultimately, it requests actions that would constitute the ordinary business operations of the Company. Therefore, the Proposal may properly be omitted from the Company's Proxy Materials pursuant to Rule 14a-8 (i)(7).

If we can be of further assistance in this matter, please do not hesitate to call me at (614) 559-7225.

Sincerely,



Steven S. Elcessor

Enclosures

cc: Eloise L. Mackus, Central Federal Corporation
Harry C.C. MacNealy, MacNealy Hoover Investment Management, Inc.
Millennium Centre
200 Market Ave. N., Ste. 200
Canton, OH 44702
Fax: 330-454-1003
Christopher J. Hubbert, Kohrman Jackson & Krantz PLL
One Cleveland Center, 20th Floor
1375 East Ninth Street
Cleveland, OH 44114
Fax: 216-621-6536

FROST BROWN TODD LLC

Exhibit A



ATTORNEYS AT LAW

December 22, 2009

VIA FEDERAL EXPRESS

Central Federal Corporation
2923 Smith Road
Fairlawn, Ohio 44333
Attn: Eloise L. Mackus
Corporate Secretary

Re: *Shareholder Proposal*

Dear Ms. Mackus:

My firm represents MacNealy Hoover Investment Management, Inc. MacNealy Hoover is a registered investment advisor managing more than \$175 million in assets for individuals, trusts, profit-sharing plans and non-profit organizations and is a beneficial owner of a significant position in Central Federal Corporation.

On behalf of MacNealy Hoover I have enclosed a shareholder proposal for inclusion in Central Federal's proxy statement for the 2010 annual meeting of shareholders. Please feel free to contact me or Harry C.C. MacNealy, chief executive officer of MacNealy Hoover, with any questions you may have regarding the proposal.

Sincerely,

Christopher J. Hubbert

Encl.

V 216-736-7215
F 216-621-6536
E cjh@kjk.com

cc: Harry C.C. MacNealy

/kas

One Cleveland Center
20th Floor
1375 East Ninth Street
Cleveland, OH 44114-1793
216-696-8700
www.kjk.com

Cleveland and Columbus

Member of

MACKRELL
INTERNATIONAL

An association of independent law firms

MacNealy
Hoover
Investment
Management, Inc.

Millennium Centre
200 Market Ave. N.
Suite 200
Canton, Ohio 44702
Phone: 330-454-1010
Fax: 330-454-1003

December 22, 2009

Central Federal Corporation
Ms. Eloise L. Mackus Esq.
2923 Smith Rd.
Fairlawn, Ohio 44333

RE: Shareholder Proposal for the 2010 Annual Meeting Proxy Statement

Dear Ms. Mackus,

The following shareholder proposal conforms to the requirements of Exchange Act Rule 14a-8 and other applicable proxy rules and interpretations of the Securities and Exchange Commission concerning submission and content of proposals. I submit this proposal in my capacity as Chief Executive Officer and on behalf of MacNealy Hoover Investment Management, Inc. As specified in our Schedule 13D filing with the Securities and Exchange Commission on December 15, 2009, MacNealy Hoover Investment Management, Inc. beneficially owns more than 366,000 shares of Central Federal Corporation common stock (8.9%) and has owned more than 1% of the outstanding shares for more than one year. It is our intention to continue to hold more than 5% of the outstanding shares through the date of the annual meeting. I have enclosed copies of our Schedules 13D and 13G filed with the SEC regarding Central Federal Corporation.

Shareholder Proposal

RESOLVED, that Central Federal Corporation ("CFBK") shareholders request that the Board of Directors (1) appoint a committee of **independent**, non-management directors with authority to explore strategic alternatives for maximizing shareholder value, including the sale or merger of CFBK, (2) instruct the committee to retain a leading investment banking firm to advise the committee about strategic alternatives, and (3) authorize the committee and investment banker to solicit offers for the sale or merger of CFBK.

Shareholder Supporting Statement

The purpose of this proposal is to provide shareholders the opportunity to advise the board of shareholders' concerns about CFBK's strategic direction and their desire to realize the full value of the CFBK investment.

MacNealy Hoover Investment Management, Inc. is a professional, registered investment advisor managing in excess of \$175,000,000 in assets for individuals, trusts, profit-sharing plans, and non-profit organizations. We firmly believe it is our fiduciary responsibility to our clients to ensure that the directors and management of companies that we own have goals and objectives that are aligned with those of their shareholders.

CFBK's inability to control expenses, maintain asset quality and preserve shareholder equity has led us to believe the best way for shareholders to profit from the appreciation in the price of CFBK stock is a business combination with an institution that has a stock more liquid and widely traded, that has a greater depth of financial, staff and other critical resources, and a more diversified loan portfolio.

This resolution does not demand that the board accept an offer to sell or merge. But the non-management directors must evaluate this option judiciously on the basis of shareholder value alone. We strongly urge you to vote **FOR** this resolution.

To ensure that you receive the enclosed proposal by the end of December 23, 2009, the deadline specified in CFBK's proxy statement, I am providing this letter and proposal both by certified mail and by overnight courier.

Sincerely,

MacNealy Hoover Investment Management, Inc.

By:



Harry C.C. MacNealy
Chief Executive Officer

SC 13D 1 v169317_sc13d.htm

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE
13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT RULE 13d-2(a)**
(Amendment No.)

Central Federal Corporation
(Name of Issuer)

Common Stock
(Title of Class of Securities)

15346Q103
(CUSIP Number)

MacNealy Hoover Investment Management Inc.
Harry C.C. MacNealy
200 Market Ave. North, Suite 200
Canton, Ohio 44702
330-454-1010

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 15, 2009
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*)

CUSIP No. 15346Q103

Page 2 of 9 Pages

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) MacNealy Hoover Investment Management Inc.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (see instructions)	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS (see instructions) OO	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Ohio	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 366,701
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 366,701
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 366,701	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 8.9%	
14	TYPE OF REPORTING PERSON (see instructions) IA	

CUSIP No. 15346Q103

Page 3 of 9 Pages

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)	
	Harry C.C. MacNealy	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (see instructions)	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS (see instructions)	
	PF	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	United States of America	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		366,701 ⁽¹⁾
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		366,701 ⁽¹⁾
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	366,701 ⁽¹⁾	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11	
	8.9%	
14	TYPE OF REPORTING PERSON (see instructions)	
	IN	

(1) 366,701 shares held by MacNealy Hoover Investment Management Inc., a registered investment advisor of which Mr. MacNealy is Chief Executive Officer and Chief Compliance Officer, of which 35,000 shares are beneficially owned by Mr. MacNealy in his retirement account and 20,000 shares are beneficially owned by Mr. MacNealey in his trust. Mr. MacNealy disclaims beneficial ownership of the 311,701 shares held by MacNealy Hoover not in his retirement account or trust.

CUSIP No. 15346Q103

Page 4 of 9 Pages

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)	
	Charles H. Hoover	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (see instructions)	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS (see instructions)	
	PF	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)	<input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	United States of America	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 0
	8	SHARED VOTING POWER 366,701 ⁽¹⁾
	9	SOLE DISPOSITIVE POWER 0
	10	SHARED DISPOSITIVE POWER 366,701 ⁽¹⁾
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 366,701 ⁽¹⁾	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions)	<input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11 8.9%	
14	TYPE OF REPORTING PERSON (see instructions) IN	

(1) 366,701 are shares held by MacNealy Hoover Investment Management Inc., a registered investment advisor of which Mr. Hoover is President, of which 4,000 shares are beneficially owned by Mr. Hoover in his retirement account. Mr. Hoover disclaims beneficial ownership of the 362,701 shares held by MacNealy Hoover not in his retirement account.

CUSIP No. 15346Q103

Page 5 of 9 Pages

Item 1. Security and Issuer.

The class of equity securities to which this 13D relates is the common stock, without par value (the "Shares"), of Central Federal Corporation (the "Issuer"), which is traded on NASDAQ under the stock symbol CFBK. The Issuer was organized as a Delaware corporation in September 1998 in connection with the conversion of CFBank from a mutual to stock organization. The principal executive offices of the Issuer are located at 2923 Smith Road, Fairlawn, Ohio 44333.

Item 2. Identity and Background.

(a) This Schedule 13 D is filed jointly by each of the following persons under Rule 13d-1(k)(1) adopted by the Securities and Exchange Commission (the "SEC") under Section 13 of the Securities Exchange Act of 1934:

1. MacNealy Hoover Investment Management Inc. an Ohio corporation ("MacNealy Hoover");
2. Mr. Harry C.C. MacNealy, Chief Executive Officer and Chief Compliance Officer of MacNealy Hoover; and
3. Mr. Charles H. Hoover, President of MacNealy Hoover.

MacNealy Hoover, Mr. MacNealy, and Mr. Hoover are referred to collectively hereafter as the Filing Persons.

(b) The business address of each of the Filing Persons is 200 Market Ave. North, Suite 200, Canton, Ohio 44702.

(c) MacNealy Hoover is a registered investment advisor providing investment management services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations and other business entities. Mr. MacNealy is Chief Executive Officer and Chief Compliance Officer and Mr. Hoover is President of MacNealy Hoover. Mr. MacNealy and Mr. Hoover are the sole executive officers, directors, and controlling shareholders of MacNealy Hoover. Each of the Filing Persons conducts its business from 200 Market Ave. North, Suite 200, Canton, Ohio 44702.

(d) Negative with respect to the Filings Persons.

(e) Negative with respect to the Filing Persons.

(f) MacNealy Hoover is a corporation organized under Ohio law. Mr. MacNealy and Mr. Hoover are citizens of the United States of America.

CUSIP No. 15346Q103

Page 6 of 9 Pages

Item 3. Source and Amount of Funds or Other Consideration.

For the accounts of clients other than Mr. MacNealy and Mr. Hoover, the source of funds for the Shares for which MacNealy Hoover has management responsibility is client funds managed by MacNealy Hoover. Mr. MacNealy and Mr. Hoover purchased Shares held in their retirements accounts and Mr. MacNealy's trust with personal funds.

Item 4. Purpose of Transaction.

The Filing Persons have elected to convert their Schedule 13G Amendment No. 1 with respect to the Issuer to a Schedule 13D. The Filing Persons originally purchased the Shares believing the Shares were significantly undervalued and represented an attractive investment opportunity. Since the Filing Persons' original Schedule 13G filed on August 13, 2009, the Issuer has reported a significant deterioration in asset quality (\$3.5 million pre-tax charge or \$0.85 per share), a \$7.6 million decline in shareholders' equity, and a net year to date loss of \$1.95 per share. Additionally, the share price of the Issuer's stock has declined 54% since August 13, 2009.

MacNealy Hoover intends to engage in discussions with the board of directors of the Issuer, as well as other stockholders, about strategic ways to enhance stockholder value. The alternatives may include a merger or outright sale of the institution. The Filing Persons are prepared to take steps to ensure the board is acting in the best interest of the stockholders. MacNealy Hoover reserves the right to communicate with the Issuer's stockholders, directly or through stockholder proposals, and to communicate directly with potential acquirers of the Issuer, or take other actions deemed to be in the best interests of its client stockholders.

Other than as disclosed in this Item 4, and pursuant to the instructions for items (a) through (j) of Item 4 of Schedule 13D, none of the Filing Persons currently has plans or proposals that relate to or would result in any of the following:

- (1) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer;
 - (2) the sale or transfer of a material amount of assets of the Issuer;
 - (3) a change in the present board of directors or management of the Issuer;
 - (4) a material change in the present capitalization or dividend policy of the Issuer;
 - (5) a material change in the business or corporate structure of the Issuer;
 - (6) a change to the certificate of incorporation, or bylaws, of the Issuer, or an impediment to the acquisition of control of the Issuer by any person;
 - (7) the delisting from NASDAQ of the Shares;
 - (8) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended; or
-

CUSIP No. 15346Q103

Page 7 of 9 Pages

- (9) any action similar to any of those enumerated in (1) through (8) above.

The Filing Persons reserve the right to modify their plans and proposals described in this Item 4 and to acquire additional Shares or dispose of Shares from time to time depending on market conditions. Further, subject to applicable laws and regulations, the Filing Persons may formulate plans and proposals that may result in the occurrence of an event set forth in (1) through (9) above or in Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

- (a) Based upon the Issuer's 10-Q filed on November 16, 2009, as of October 31, 2009 there were 4,100,337 Shares issued and outstanding.

MacNealy Hoover beneficially owns 366,701 Shares, or 8.9% of the outstanding Shares. Of the 366,701 Shares held by MacNealy Hoover, Mr. MacNealy beneficially owns 35,000 Shares in his retirement account and 20,000 Shares in his Trust. Mr. MacNealy may also be deemed to beneficially own 311,701 other Shares held by MacNealy Hoover. Mr. MacNealy disclaims beneficial ownership of the 311,701 Shares held by MacNealy Hoover that he does not own through his retirement account and trust. Of the 366,701 Shares held by MacNealy Hoover, Mr. Hoover beneficially owns 4,000 Shares in his retirement account. Mr. Hoover may also be deemed to beneficially own 362,701 other Shares held by MacNealy Hoover. Mr. Hoover disclaims beneficial ownership of the 362,701 Shares held by MacNealy Hoover that he does not own through his retirement account.

- (b) The Filing Persons have both shared voting and dispositive powers for the Shares owned by MacNealy Hoover, including the Shares owned by Mr. MacNealy and Mr. Hoover in their retirement accounts and Mr. MacNealy's trust. Voting and dispositive power is shared with clients whose accounts are managed by MacNealy Hoover. Clients retain all rights of ownership in assets maintained in managed accounts. Ownership of the Issuer's Shares reported herein is distributed among more than 50 client relationships, every one of which accounts for less than 5% of the Issuer's outstanding Shares.

- (c) MacNealy Hoover has effected the following transactions since its last 13G filing:

11/19/2009 Buy 10,500 Shares at \$1.593 per share
11/24/2009 Buy 2,700 Shares at \$1.490 per share
12/07/2009 Buy 2,972 Shares \$1.283 per share

- (d) The clients of MacNealy Hoover own of record or in street name the Shares reported herein, and as such they have the sole right to dividends paid on and proceeds from the sale of the Issuer's Shares. None of MacNealy Hoover's clients individually own more than 5% of the Shares.

- (e) Not applicable.
-

CUSIP No. 15346Q103

Page 8 of 9 Pages

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

There are no contracts, arrangements, understandings, or relationships among the Filing Persons or between the Filing Persons, and any other person, including but not limited to any client of MacNealy Hoover concerning the Shares. As an investment advisor, MacNealy Hoover manages client accounts in accordance with the terms of the investment management agreements with its clients and the general investment objectives communicated by clients. Under the terms of its management agreements, MacNealy Hoover is entitled to receive fees for its investment management services, including fees calculated as a percentage of assets under management.

Item 7. Material to be Filed as Exhibits.

7.1 Joint Filing Agreement

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: December 17, 2009

MacNealy Hoover Investment Management Inc.

/s/ Harry C.C. MacNealy
By: Harry C.C. MacNealy, CEO and CCO

/s/ Harry C.C. MacNealy
Harry C.C. MacNealy, Individually

/s/ Charles H. Hoover
Charles H. Hoover, Individually

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
7.1	Joint Filing Agreement

SC 13G 1 macnealy13g.htm BODY OF SC 13G

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 13G
Under the Securities Exchange Act of 1934
(Amendment No.)**

Central Federal Corporation

(Name of Company)

Common Stock

(Title of Class of Securities)

15346Q103

(CUSIP Number)

August 12, 2009

(Date of Event Which Requires Filing of This Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Person 1

1.		(a) Names of Reporting Persons. MacNealy Hoover Investment Management
		(b) Tax ID 34-1891992
2.		Check the Appropriate Box if a Member of a Group (See Instructions)
		(a) <input type="checkbox"/>
		(b) <input type="checkbox"/>
3.		SEC USE ONLY
4.		Citizenship or Place of Organization
		USA
Number of Shares Beneficially Owned by Each Reporting Person With	5.	Sole Voting Power 0
	6.	Shared Voting Power 242,156
	7.	Sole Dispositive Power 0
	8.	Shared Dispositive Power 242,156
9.	Aggregate Amount Beneficially Owned by Each Reporting Person 242,156	
10.	Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)	
	<input type="checkbox"/>	
11.	Percent of Class Represented by Amount In Row (9) 5.9%	
12.	Type of Reporting Person (See Instructions)	

MacNealy Hoover Investment Management is a registered investment advisor providing investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and other business entities. In that capacity, the firm has voting power, investment power, or both over an aggregate of 242,156 shares. Mr. MacNealy personally owns 31,000 shares in his retirement account and 10,000 shares in his trust account. Mr. Hoover owns 4,000 shares in his retirement account.

Item 1. (a) Name of Issuer.

Central Federal Corporation

(b) Address of Issuer's Principal Executive Offices.

2923 Smith Road, Fairlawn, Ohio 44333

Item 2. (a) Name of Person Filing.

MacNealy Hoover Investment Management

(b) Address of Principal Business Office or, if none, Residence.

200 Market Ave. N., Suite 200, Canton, Ohio 44702

(c) Citizenship.

USA

(d) Title of Class of Securities.

Common Stock

(e) CUSIP Number.

15346Q103

Item 3. If this statement is filed pursuant to 240.13d-1(b), or 240.13d-2(b) or (c), check whether the person filing is a:

- (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78c);
- (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c);
- (c) Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c);
- (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8);
- (e) An investment adviser in accordance with 240.13d-1(b)(1)(ii)(E);
- (f) An employee benefit plan or endowment fund in accordance with 240.13d-1(b)(1)(ii)(F);

- (g) A parent holding company or control person in accordance with 240.13d-1(b)(1)(ii)(G);
- (h) A savings associations as defined in section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j) A non-U.S. institution in accordance with 240.13d-1(b)(1)(ii)(J);
- (k) Group, in accordance with 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with 240.13d-1(b)(1)(ii)(J), please specify the type of institution.

Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

- (a) Amount beneficially owned: 242,156
- (b) Percent of class: 5.9%
- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote: 0
 - (ii) Shared power to vote or to direct the vote: 242,156
 - (iii) Sole power to dispose or to direct the disposition of: 0
 - (iv) Shared power to dispose or to direct the disposition of: 242,156

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

- Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.**
- Item 8. Identification and Classification of Members of the Group.**
- Item 9. Notice of Dissolution of Group.**
- Item 10. Certification.**

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

August 12, 2009

Date

/s/ MacNealy Hoover Investment Management

Signature

Harry C.C. MacNealy
CEO and CCO

Name/Title

EXHIBIT A

Transactions within the last sixty days

6/12/2009 through 8/12/2009

6/16 Buy 2,700 \$3.013

6/17 Buy 6,000 3.008

6/24 Buy 97 2.662

6/26 Buy 3,200 2.76

6/30 Buy 4,446 2.77

7/02 Buy 6,000 2.76

8/07 Buy 14,600 2.473

8/10 Buy 11,000 2.58

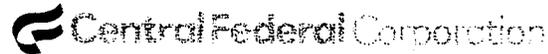
8/11 Buy 2,303 2.59

8/12 Buy 3,000 2.71

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001)

FROST BROWN TODD LLC

Exhibit B



BY FAX (330-454-1003) & OVERNIGHT MAIL

December 29, 2009

Mr. Harry C.C. MacNealy
MacNealy Hoover Investment Management, Inc.
Millennium Centre
200 Market Ave. N.
Suite 200
Canton, Ohio 44702

Re: Shareholder Proposal – Notice of Defect

Dear Mr. MacNealy:

I am writing in response to a letter I received on December 23, 2009 from Christopher J. Hubbert of Kohrman Jackson & Krantz, submitting a shareholder proposal on behalf of MacNealy Hoover Investment Management, Inc. for inclusion in the Company's proxy statement for the 2010 Annual Meeting of Stockholders. The letter and your shareholder proposal were each dated December 22, 2009. Per Mr. Hubbert's letter, I am directing this response to your attention.

Your letter indicates that the proposal conforms to the requirements of Rule 14a-8 of the Securities Exchange Act of 1934 and other applicable proxy rules and interpretations of the Securities and Exchange Commission concerning submission and content of proposals.

I am writing to notify you that MacNealy Hoover has failed to establish its eligibility to submit a shareholder proposal pursuant to Rule 14a-8 because MacNealy Hoover has not provided satisfactory evidence that as of December 22, 2009 (the date on which you submitted your proposal) MacNealy Hoover had held at least \$2,000 in market value, or 1%, of the Company's voting stock continuously for at least one year. Specifically: (1) MacNealy Hoover is not a registered holder of Company securities (Rule 14a-8(b)(2)); (2) MacNealy Hoover has not submitted to the Company a written statement from the "record" holder of the shares (usually a broker or bank) verifying that, at the time MacNealy Hoover submitted its proposal, MacNealy Hoover had continuously held such shares for at least one year (Rule 14a-8(b)(2)(i)); and (3) MacNealy Hoover has not provided the Company with an SEC filing referenced in Rule 14a-8(b)(2)(ii) reflecting MacNealy Hoover's ownership of the shares as of or before the date on which the one-year eligibility period begins.

Before we can process your proposal, we need to confirm that MacNealy Hoover satisfies the eligibility requirements of Rule 14a-8.

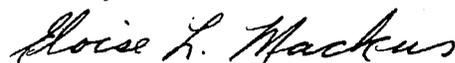
Rule 14a-8(b) requires you to submit to the Company written verification that, at the time you submitted your proposal, you had continuously held at least \$2,000 in market value, or 1% of the Company's voting stock, for a period of at least one year. The Schedules 13G and 13D that you submitted with your proposal reflect ownership only as of August 12, 2009 and December 15, 2009, respectively. Those Schedules do not demonstrate your ownership as of or before the date on which the one-year eligibility period begins (December 22, 2008). As such, the proposal does not meet the requirements of Rule 14a-8(b). I also bring to your attention the requirement in Rule 14a-8(b)(2)(ii)(A) that when submitting a copy of a Schedule 13D or 13G to the Company to prove ownership, you must also submit any subsequent amendments reporting a change in your ownership level.

In order for MacNealy Hoover's proposal to be properly submitted, you must provide the Company with the proper written evidence that MacNealy Hoover meets the shareownership and holding requirements of Rule 14a-8(b). As required by statute, your response correcting the noted procedural and eligibility deficiencies must be postmarked or transmitted electronically to the Company no later than 14 calendar days from the date of your receipt of this letter. If you do not provide the requested documentation within 14 days of your receipt of this letter, we believe that the Company will be entitled to omit the proposal from its proxy statement in connection with the 2010 Annual Meeting. You may also wish to consider withdrawing the proposal.

The proxy rules also provide certain substantive criteria pursuant to which a company is permitted to exclude from its proxy materials a stockholder's proposal. This letter addresses only the procedural requirements for submitting your proposal and does not address or waive any of our substantive concerns. If the deficiencies noted above are not remedied, the Company intends to submit a letter to the SEC's Division of Corporation Finance seeking the staff's concurrence with the Company's view that it is entitled under the rules to omit the proposal. In accordance with Rule 14a-8(j), the Company will furnish you a copy of its submissions to the SEC. For your reference, I am enclosing a copy of Rule 14a-8.

Please address any future correspondence to my attention.

Sincerely,



Eloise L. Mackus

CC: SJEIccessor, Frost Brown Todd
CJHubbert, Kohnman Jackson & Krantz

REGULATION 14A

Rule 14a-8. Shareholder proposals.

This section addresses when a company must include a shareholder's proposal in its proxy statement and identify the proposal in its form of proxy when the company holds an annual or special meeting of shareholders. In summary, in order to have your shareholder proposal included on a company's proxy card, and included along with any supporting statement in its proxy statement, you must be eligible and follow certain procedures. Under a few specific circumstances, the company is permitted to exclude your proposal, but only after submitting its reasons to the Commission. We structured this section in a question-and-answer format so that it is easier to understand. The references to "you" are to a shareholder seeking to submit the proposal.

(a) Question 1: What is a proposal? A shareholder proposal is your recommendation or requirement that the company and/or its board of directors take action, which you intend to present at a meeting of the company's shareholders. Your proposal should state as clearly as possible the course of action that you believe the company should follow. If your proposal is placed on the company's proxy card, the company must also provide in the form of proxy means for shareholders to specify by boxes a choice between approval or disapproval, or abstention. Unless otherwise indicated, the word "proposal" as used in this section refers both to your proposal, and to your corresponding statement in support of your proposal (if any).

(b) Question 2: Who is eligible to submit a proposal, and how do I demonstrate to the company that I am eligible?

(1) In order to be eligible to submit a proposal, you must have continuously held at least \$2,000 in market value, or 1% , of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal. You must continue to hold those securities through the date of the meeting.

(2) If you are the registered holder of your securities, which means that your name appears in the company's records as a shareholder, the company can verify your eligibility on its own, although you will still have to provide the company with a written statement that you intend to continue to hold the securities through the date of the meeting of shareholders. However, if like many shareholders you are not a registered holder, the company likely does not know that you are a shareholder, or how many shares you own. In this case, at the time you submit your proposal, you must prove your eligibility to the company in one of two ways:

(i) The first way is to submit to the company a written statement from the "record" holder of your securities (usually a broker or bank) verifying that, at the time you submitted your proposal, you continuously held the securities for at least one year. You must also include your own written statement that you intend to continue to hold the securities through the date of the meeting of shareholders; or

(ii) The second way to prove ownership applies only if you have filed a Schedule 13D (§ 240.13d-101), Schedule 13G (§ 240.13d-102), Form 3 (§ 249.103 of this chapter), Form 4 (§ 249.104 of this chapter) and/or Form 5 (§ 249.105 of this chapter), or amendments to those documents or updated forms, reflecting your ownership of the shares as of or before the date on which the one-year eligibility period begins. If you have filed one of these documents with the SEC, you may demonstrate your eligibility by submitting to the company:

(A) A copy of the schedule and/or form, and any subsequent amendments reporting a change in your ownership level;

(B) Your written statement that you continuously held the required number of shares for the one-year period as of the date of the statement; and

(C) Your written statement that you intend to continue ownership of the shares through the date of the company's annual or special meeting.

(c) Question 3: How many proposals may I submit? Each shareholder may submit no more than one proposal to a company for a particular shareholders' meeting.

(d) Question 4: How long can my proposal be? The proposal, including any accompanying supporting statement, may not exceed 500 words.

(e) Question 5: What is the deadline for submitting a proposal?

(1) If you are submitting your proposal for the company's annual meeting, you can in most cases find the deadline in last year's proxy statement. However, if the company did not hold an annual meeting last year, or has changed the date of its meeting for this year more than 30 days from last year's meeting, you can usually find the deadline in one of the company's quarterly reports on Form 10-Q (§ 249.308a of this chapter), or in shareholder reports of investment companies under § 270.30d-1 of this chapter of the Investment Company Act of 1940. In order to avoid controversy, shareholders should submit their proposals by means, including electronic means, that permit them to prove the date of delivery.

(2) The deadline is calculated in the following manner if the proposal is submitted for a regularly scheduled annual meeting. The proposal must be received at the company's principal executive offices not less than 120 calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. However, if the company did not hold an annual meeting the previous year, or if the date of this year's annual meeting has been changed by more

than 30 days from the date of the previous year's meeting, then the deadline is a reasonable time before the company begins to print and send its proxy materials.

(3) If you are submitting your proposal for a meeting of shareholders other than a regularly scheduled annual meeting, the deadline is a reasonable time before the company begins to print and send its proxy materials.

(f) Question 6: What if I fail to follow one of the eligibility or procedural requirements explained in answers to Questions 1 through 4 of this section?

(1) The company may exclude your proposal, but only after it has notified you of the problem, and you have failed adequately to correct it. Within 14 calendar days of receiving your proposal, the company must notify you in writing of any procedural or eligibility deficiencies, as well as of the time frame for your response. Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received the company's notification. A company need not provide you such notice of a deficiency if the deficiency cannot be remedied, such as if you fail to submit a proposal by the company's properly determined deadline. If the company intends to exclude the proposal, it will later have to make a submission under § 240.14a-8 and provide you with a copy under Question 10 below, § 240.14a-8(j).

(2) If you fail in your promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of your proposals from its proxy materials for any meeting held in the following two calendar years.

(g) Question 7: Who has the burden of persuading the Commission or its staff that my proposal can be excluded? Except as otherwise noted, the burden is on the company to demonstrate that it is entitled to exclude a proposal.

(h) Question 8: Must I appear personally at the shareholders' meeting to present the proposal?

(1) Either you, or your representative who is qualified under state law to present the proposal on your behalf, must attend the meeting to present the proposal. Whether you attend the meeting yourself or send a qualified representative to the meeting in your place, you should make sure that you, or your representative, follow the proper state law procedures for attending the meeting and/or presenting your proposal.

(2) If the company holds its shareholder meeting in whole or in part via electronic media, and the company permits you or your representative to present your proposal via such media, then you may appear through electronic media rather than traveling to the meeting to appear in person.

(3) If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years.

(i) Question 9: If I have complied with the procedural requirements, on what other bases may a company rely to exclude my proposal?

(1) Improper under state law: If the proposal is not a proper subject for action by shareholders under the laws of the jurisdiction of the company's organization;

Note to paragraph (i)(1): Depending on the subject matter, some proposals are not considered proper under state law if they would be binding on the company if approved by shareholders. In our experience, most proposals that are cast as recommendations or requests that the board of directors take specified action are proper under state law. Accordingly, we will assume that a proposal drafted as a recommendation or suggestion is proper unless the company demonstrates otherwise.

(2) Violation of law: If the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject;

Note to paragraph (i)(2): We will not apply this basis for exclusion to permit exclusion of a proposal on grounds that it would violate foreign law if compliance with the foreign law would result in a violation of any state or federal law.

(3) Violation of proxy rules: If the proposal or supporting statement is contrary to any of the Commission's proxy rules, including § 240.14a-9, which prohibits materially false or misleading statements in proxy soliciting materials;

(4) Personal grievance; special interest: If the proposal relates to the redress of a personal claim or grievance against the company or any other person, or if it is designed to result in a benefit to you, or to further a personal interest, which is not shared by the other shareholders at large;

(5) Relevance: If the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business;

(6) Absence of power/authority: If the company would lack the power or authority to implement the proposal;

(7) Management functions: If the proposal deals with a matter relating to the company's ordinary business operations;

(8) Relates to election: If the proposal relates to a nomination or an election for membership on the company's board of directors or analogous governing body or a procedure for such nomination or election;

(9) Conflicts with company's proposal: If the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting;

Note to paragraph (i)(9): A company's submission to the Commission under this section should specify the points of conflict with the company's proposal.

(10) Substantially implemented: If the company has already substantially implemented the proposal;

(11) Duplication: If the proposal substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting;

(12) Resubmissions: If the proposal deals with substantially the same subject matter as another proposal or proposals that has or have been previously included in the company's proxy materials within the preceding 5 calendar years, a company may exclude it from its proxy materials for any meeting held within 3 calendar years of the last time it was included if the proposal received:

(i) Less than 3% of the vote if proposed once within the preceding 5 calendar years;

(ii) Less than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years; or

(iii) Less than 10% of the vote on its last submission to shareholders if proposed three times or more previously within the preceding 5 calendar years; and

(13) Specific amount of dividends: If the proposal relates to specific amounts of cash or stock dividends.

(j) Question 10: What procedures must the company follow if it intends to exclude my proposal?

(1) If the company intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission. The company must simultaneously provide you with a copy of its submission. The Commission staff may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline.

(2) The company must file six paper copies of the following:

(i) The proposal;

(ii) An explanation of why the company believes that it may exclude the proposal, which should, if possible, refer to the most recent applicable authority, such as prior Division letters issued under the rule; and

(iii) A supporting opinion of counsel when such reasons are based on matters of state or foreign law.

(k) Question 11: May I submit my own statement to the Commission responding to the company's arguments?

Yes, you may submit a response, but it is not required. You should try to submit any response to us, with a copy to the company, as soon as possible after the company makes its submission. This way, the Commission staff will have time to consider fully your submission before it issues its response. You should submit six paper copies of your response.

(l) Question 12: If the company includes my shareholder proposal in its proxy materials, what information about me must it include along with the proposal itself?

(1) The company's proxy statement must include your name and address, as well as the number of the company's voting securities that you hold. However, instead of providing that information, the company may instead include a statement that it will provide the information to shareholders promptly upon receiving an oral or written request.

(2) The company is not responsible for the contents of your proposal or supporting statement.

(m) Question 13: What can I do if the company includes in its proxy statement reasons why it believes shareholders should not vote in favor of my proposal, and I disagree with some of its statements?

(1) The company may elect to include in its proxy statement reasons why it believes shareholders should vote against your proposal. The company is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement.

(2) However, if you believe that the company's opposition to your proposal contains materially false or misleading statements that may violate our anti-fraud rule, § 240.14a-9, you should promptly send to the Commission staff and the company a letter explaining the reasons for your view, along with a copy of the company's statements opposing your proposal. To the extent possible, your letter should include specific factual information demonstrating the inaccuracy of the company's claims. Time permitting, you may wish to try to work out your differences with the company by yourself before contacting the Commission staff.

(3) We require the company to send you a copy of its statements opposing your proposal before it sends its proxy materials, so that you may bring to our attention any materially false or misleading statements, under the following timeframes:

(i) If our no-action response requires that you make revisions to your proposal or supporting statement as a condition to requiring the company to include it in its proxy materials, then the company must provide you with a copy of its opposition statements no later than 5 calendar days after the company receives a copy of your revised proposal; or

(ii) In all other cases, the company must provide you with a copy of its opposition statements no later than 30 calendar days before its files definitive copies of its proxy statement and form of proxy under § 240.14a-6.

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TRANSMISSION VERIFICATION REPORT

TIME : 12/30/2009 09:57
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FAX :
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SER.# : BROA8J767549

DATE, TIME	12/30 09:55
FAX NO./NAME	13304541003
DURATION	00:02:37
PAGE(S)	07
RESULT	OK
MODE	STANDARD ECM



TO: Harry C.C. MacNealy

FROM: Eloise L. Mackus

COMPANY: MacNealy Hoover
Investment Management, Inc.

DATE: December 30, 2009

FAX NUMBER: 330.454.1003

FAX NUMBER: 330.666.7959

PHONE NUMBER:

PHONE NUMBER: 330.666.7979

RE: Stockholder Proposal

TOTAL NO. OF PAGES: Seven

TRANSMISSION VERIFICATION REPORT

TIME : 12/30/2009 10:00
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FAX :
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SER.# : BROA8J767549

DATE, TIME	12/30 09:59
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DURATION	00:01:24
PAGE(S)	07
RESULT	OK
MODE	STANDARD ECM



TO: Christopher J. Hubbert

FROM: Eloise L. Mackus

COMPANY: Kohrman Jackson &
Krantz PLL

DATE: December 30, 2009

FAX NUMBER: 216.621.6536

FAX NUMBER: 330.666.7959

PHONE NUMBER: 216.736.7215

PHONE NUMBER: 330.666.7979

RE: Stockholder Proposal

TOTAL NO. OF PAGES: Seven

FROST BROWN TODD LLC

Exhibit C

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Canton OH 44702
330-454-1010 phone
330-454-1003 fax



Fax

To: <i>ELDISE MACRUS</i>	From: <i>HARRY MAC NEALY</i>
Fax: <i>330-666-7959</i>	Pages: <i>1 OF 2</i>
Phone: <i>330-666-7979</i>	Date: <i>1/5/09</i>
Re: <i>SHAREHOLDER PROPOSAL</i>	CC:

Urgent For Review Please Comment Please Reply Please Recycle

● Comments:

DEAR MS. MACRUS,

PER YOUR 12/30/09 COMMUNICATION,

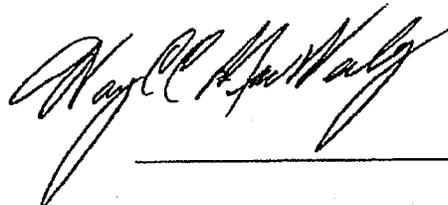
I AM ATTACHING VERIFICATION OF OWNERSHIP FOR

MORE THAN ONE YEAR FROM THE CUSTODIAN,

CHARLES SCHWAB. PLEASE CONTACT ME IF YOU

HAVE ANY OTHER QUESTIONS.

SINCERELY,



charles SCHWAB
INSTITUTIONAL

PO Box 628290 Orlando Florida 32862-8290

January 4, 2010

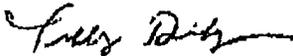
Central Federal Corporation
Attn: Ms. Eloise L. Mackus
2923 Smith Road
Fairlawn, Ohio 44333

RE: Schwab Custody of CFBK Stock

Dear Ms. Mackus,

MacNealy Hoover Investment Management, Inc., an independent investment advisor, managed client accounts that held 104,141 shares of CFBK common stock at Charles Schwab & Co., Inc. as of December 18, 2008. Of these 104,141 shares, Harry MacNealy held 31,000 shares in his retirement account and 10,000 shares in his trust account. Charles Hoover held 4,000 shares in his retirement account. MacNealy Hoover Investment Management has managed more than \$2,000 worth of CFBK stock for more than one year.

Sincerely,



Tiffany DeSouza
Team Manager
Charles Schwab Advisor Services