

Dawson Co-op Credit Union

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Gerard Poliquin
National Credit Union Administration
1775 Duke Street
Alexandria Virginia 22314-3428

Re: Risk Based Capital Rule

Dear NCUA,

Dawson Co-op Credit Union serves six county area in rural Minnesota with the original mission of serving the agriculture community. Our management believes in a strong net worth position, and even with large asset growth the last four years, our net worth percentage has increased and is currently considered well capitalized.

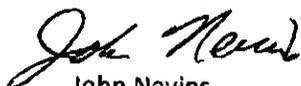
I ask the NCUA Board to revisit several items in the proposal. As our roots are in agriculture, so is our agriculture MBL concentration. I ask that the concentration escalators for member business loans be reduced. I also question the authority of examiners to impose even higher requirements on a case by case system.

As a rural credit union, we also provide a valuable source of financing for home purchases. An average house purchase in our area is \$40-\$50,000. These loans have strong equity positions, re-price in three to five years, and do not have the market fluctuations of other areas of the country. This real estate portfolio has a history of minimal charge-offs and low delinquency. I question the risk weighting involved with this type of loan.

Finally, the transition period for a ruling of this magnitude is too short. Strong capital is not bad policy. Additional time in the rule would allow compliance without disruption to member services and unnecessary regulatory threats to management.

Thank you for your consideration.

Respectfully,



John Nevins
Manager/CEO



Federally Insured by NCUA



AMERICA'S
CREDIT UNIONS™

"Where people are worth more than money."



We do business in Accordance
with the Federal Fair Housing Law and
the Equal Credit Opportunity Act