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April 21, 2014

Gerard Poliquin, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Risk-Based Capital

Dear Sir:

Natural person credit unions have been asked by our state and national associations to comment on NCUA's plan to activate a risk-based capital ratio as an additional measuring tool in defining the capital adequacy of credit unions. I have utilized the calculators and determined that this credit union would retain its "well-capitalized" status under the proposed new guidelines.

I do not understand why NCUA is considering such a proposal in opposition to the best evaluation of our associations. I expect all concerned to have the best interest of credit unions at heart. There must be a valid reason why natural person credit unions are being asked to oppose this new measuring tool.

I have read the talking points, and they seem to possibly be valid for some credit unions, but not this credit union. I have considered NCUA's position as it applies to this credit union, and it seems to be unnecessary for our operation.

This credit union maintains a conservative approach to investments and lending. We do not need any policy that could restrict our ability to administer our present programs. We do not need any policy that would be detrimental to the best interests of our members. If the risk-based capital proposal presently on the table could potential curtail our present programs in any manner, we would most definitely oppose it.

For the best interest of all credit unions, I appeal to NCUA to not enact a new policy until both parties, NCUA and our associations, have come to agreement on the necessity of this issue.

Sincerely,

Joseph E. Simmons
President and CEO