



APCO EMPLOYEES CREDIT UNION

750 17TH STREET NORTH
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TELEPHONE 205.226.6800

Mr. Gerald Poliquin
Secretary of the Board
National Credit Union Association
1775 Duke Street
Alexandria, VA 22314

Thank you for the opportunity to provide comments on the proposed Prompt Corrective Action; Risk-Based Capital. I am writing on behalf of APCO Employees Credit Union, Birmingham, Alabama.

I believe everyone in the credit union movement agrees that there needs to be updates to the current system and we are all aware of the reasons why. While everyone wants to make sure that we operate in a safe and sound manner, we must make sure that credit unions can still operate while serving our members. The proposed risk based capital plan however, will cause more challenges and could negatively affect our members.

The proposal contains certain aspects which are too aggressive and too subjective. The proposed 18-month implementation period is not sufficient time for credit unions to comply. Additionally, this proposal assigns risk-weight percentages that are arbitrary, and then adds subjectivity by allowing the examiners to use their discretion as to risk of the credit union.

Credit unions need a straight forward, less confusing capital plan. The NCUA should be able to redesign this proposal to fit all credit unions. The NCUA must work with credit unions to ensure they can fully provide the services and offer the products that their members need and want.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Rush', is positioned above the typed name.

Andy Rush
Accounting Manager
APCO Employees Credit Union