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To the NCUA Board:

I am writing on behalf of Central Star Credit Union, which serves Beech Aircraft, and five counties in Kansas. We have over 8800 members and over 75 million in assets. Central Star appreciates this opportunity to comment on NCUA's **proposed rule, Prompt Corrective Action – Risk-Based Capital.**

During my over 30 years of working in the industry, our credit union has survived many of the industry's crisis, using tools and insight about our membership and our community. Some, as an industry we created ourselves, others not as much, but today the Risk Based Capital Proposal, as written, threatens to guarantee the demise of many of our most needed credit unions. Those under fifty million in assets. The great recession, mortgage meltdown, corp failure, interchange losses, and lowest interest rates in our lifetimes, has already taken its toll. Yet they have survived.

In today's competitive world, to have earnings, growth and adequate capital, they are required to know their niche, how to provide what their members need, when they need it and these credit unions are the true "boots on the ground" when it comes to knowing the pulse of the members they serve.

It is unthinkable that an NCUA examiner could determine and require additional capital on a case by case basis for a credit union with the vague guidelines in this proposal. Imagine the catch twenty two for staff, and volunteers who are and have been responsible stewards, but because of changing to fit the needs of their members and or community, they are told by an examiner, after a two week visit...they need more capital by ...

This proposal is unnecessary, unfair and not well thought out from the stand point of its impact to the industry:

: Now is not the time to ask for set asides of billions of dollars in extra capital

: Not every credit union over \$50 million is complex

: Replacing the risk based net worth approach with a new formula, does nothing for credit unions or consumers, it makes the round peg fit. It will generate fines for late call reports.

: Compliance within 18 months...for most of us under 150 million, this would be nearly impossible to say nothing of the expense.

This is a three to five year time project, because there will be changes to original as it is implemented

Central Star Credit Union would remain well capitalized, for the moment, but under the proposed system, our current capital of 8.89, would shrink by \$541,322. This represents a -75 basis point change. Shrinking our capital, at this time, for this reason is unnecessary.

Thank you for the opportunity to comment on this proposed rule and please consider our comments as you review risk based capital requirements.

Sincerely



A. Lee Williams
CEO