



May 6, 2014

Mr. Gerard Poliquin
Secretary to the NCUA Board
1775 Duke Street
Alexandria, VA 22314

MAY 12 '14 PM 2:37 BOARD

RE: Comments on Proposed Rule PCA

Dear Sir:

I am writing to respectfully request changes to the proposed Risk Based Capital Rule. The changes I would like to see are in the areas of Investments, Real Estate Loans, and Individual Capital Requirements. NCUA in its proposed rule on investments is assessing risk weights based upon maturities. I agree that does have to be a consideration with regard to interest rate risk, but if credit unions compensate for those risks with other types of investment vehicles such as variable rate assets, those and other vehicles would be strong factors in extenuating the interest rate risk based upon maturities.

The proposed rule for non-delinquent first mortgages is based upon percentage of assets and this will have a significant impact on our ability to consistently provide that service in the future. The rule as I read it will shut down lending in many medium and smaller institutions due to them hitting some imaginary line of perceived risk on paying loans. The rule does not take into account LTV, the credit score of members who have the loan, or how long the loan has been on the books. Each of these items should be a consideration for risk of any loan.

The final area of the proposed rule I would like to comment on is the individual minimum capital requirement. This part of the rule should be thrown out because it will lead to abuse and/or differential treatment across regions by different examiners. There appears to be no legitimate process by an independent outside party; and why even implement the rest of this rule if an examiner can come behind the calculation and say "that is not good enough, you need more?"

Respectfully,

A handwritten signature in black ink, appearing to read "Daniel Weickenand", written over a horizontal line.

Daniel Weickenand
CEO
Orion FCU