

From: [Annalyn Hawkes](#)
To: [Regulatory Comments](#)
Subject: Risk-Based Capital Comment
Date: Wednesday, May 14, 2014 12:45:42 PM

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From: Annalyn Hawkes
Xtend (CUSO)

05/14/2014

Dear Mr. Poliquin:

I am surprised to see that Investments in CUSOs is listed with one of the highest proposed risk weights at 2.5. I feel this is unnecessarily inflexible since some CUSOs, such as the one I work for, are very healthy organizations specifically designed to provide services and perform tasks that assist clients by reducing operating costs and fees. These operating costs would otherwise be higher if they choose to handle the service/task internally. CUSOs may also provide a more direct return on investment through payment of dividends. These types of investments are made with a cooperative and collaborative spirit for which the credit union industry is particularly known. Why are these investments being essentially penalized?



Annalyn Hawkes
Xtend (CUSO)