

**From:** [Ruben Ison](#)  
**To:** [Regulatory Comments](#)  
**Subject:** Prompt Corrective Action Risk-Based Capital Comment Letter  
**Date:** Wednesday, May 14, 2014 2:40:07 PM

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Dear Secretary of the Board Poliquin,

I am writing on behalf of Tahquamenon Area Credit Union, which serves the eastern upper peninsula of Michigan. We have 6,874 Members and \$60,014,370 in assets. Tahquamenon Area Credit Union appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

Recently I became aware of a proposed regulation that the NCUA has formulated with respect to risk-based capital requirements. My opinion is that this proposal will affect credit unions in a very negative way and goes well beyond what is necessary to protect the insurance fund.

I am concerned that the provision allowing NCUA to impose minimum capital levels (higher than the risk-based capital requirements for individual credit unions) may lead to over-reaching by some examiners. Particularly when the decision to require more capital from a credit union "cannot be determined solely through the application of a rigid mathematical formula or wholly objective criteria. The decision is necessarily based, in part, on subjective judgement grounded in agency expertise".

I also am concerned that any such required increased capital level resulting from such a rule would inhibit credit unions ability to return maximum financial benefit to our members. This at a time when our members need the benefits of being owners of our cooperatives now more than ever.

I hope that you can understand my concern that placing such heavy-handed regulation on credit unions will undermine the cooperative principles we hold dear.

My hope is that the NCUA would take this proposal off the table until such a time as a capital requirement regulation that meets the needs of the industry can be designed—and not one that's solely concerned with the health of the insurance fund.

Thank you for the opportunity to comment on this proposed rule and for considering our views on risk based capital requirements.

Sincerely,

Respectfully,  
13935 E Willow St  
Newberry, MI 49868