

From: [Karen Anderson](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Tuesday, May 20, 2014 5:10:52 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Cincinnati Interagency Federal Credit Union (CIFCU), which serves federal government and contractor employees of the U.S. Environmental Protection Agency and the National Institute for Occupational Safety and Health in Cincinnati, Ohio. We have approximately 2800 Members and just over \$25 million in assets. CIFCU appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

Due to its current asset size, CIFCU would not be directly impacted by the proposed rule. With continued growth, however, the \$50 million threshold would soon be met. It should be noted however that our current product mix would be considered by most in the industry as "plain vanilla" vs. complex in terms of loans and investments. This is not likely to change too much even with continued growth because of our SEG (Select Employee Group) type charter. To be lumped in with other Credit Unions with more diverse product offerings just because of asset size, per the proposed rule, would make no sense, project an inaccurate perception of risk and create an undue hardship to remain well-capitalized.

Speaking of making sense, I am not convinced that this proposal is necessary. Some modification of the current net worth requirements may be helpful but, as it stands, the current proposed rule appears to be an over reaction.

I strongly disagree with the NCSUIF deposit be excluded from the calculation of RBC ratios.

I vehemently oppose NCUA's proposed ability to impose higher capital requirements on a case-by-case basis! There is already such a lack of consistency among current Examiners - and the turn over and hiring process is in a state of turmoil - that giving them further subjectivity or "power" will further degrade the already untrusting exam process.

Finally, if changes are made, sufficient time must be allowed for implementation. Eighteen months is not a long enough time period.

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

Sincerely,

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