

From: [Mr. & Mrs. Sean Ferrell](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Wednesday, May 28, 2014 4:50:52 PM

Dear Secretary of the Board Poliquin,

LGE Community Credit Union (LGE) appreciates the opportunity to comment on the National Credit Union Administration's (NCUA) proposal regarding risk-based capital requirements. LGE is a State-Chartered Credit Union which represents the interests of over 104,000 members in Cobb, Paulding, Cherokee and Fulton Counties in Georgia.

While LGE supports a strong credit union system, which includes supporting additional capital for credit unions with riskier balance sheets, we do have several concerns about the Risk-Based Capital proposal regarding the potential adverse impact this proposal will have on the credit union industry nationwide; as well as in Georgia. We also have concerns about the new risk weightings of certain credit union activities, such as MBL, Mortgage Loans and CUSO Investments and loans.

In addition, LGE believes financial regulatory reform measures should promote economic stability and transparency without imposing undue burdens on Natural Person Credit Unions. LGE also believes the proposal is likely to discourage Credit Unions from prudently managing their business risks and/or will drive up the costs of risk management. In particular, the Proposal will have a more pronounced effect on small and medium sized Credit Unions.

LGE asks that the NCUA consider the needs of Georgia communities and the important role the credit union system plays in our state when evaluating risk-based capital regulations. Thank you for your consideration. If you have any questions please do not hesitate to contact us at (770) 421-2576.

Sincerely,

Sean Ferrell, VP of Finance, LGECCU
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