

Mr. Gerard Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

March 31, 2015

**Franklin Mint Federal Credit Union**  
**Charter: 20042**  
**RE: NCUA Risk Based Capital Proposal**

Franklin Mint Federal Credit Union has reviewed the recently amended proposed risk-based net worth capital rule. Although we appreciate all of the positive changes in the proposal that have taken place since the first proposal, we feel as though there are still some enhancements to the proposed rule that would make the ruling more equitable and balanced across the credit union industry.

**Based on the current Risk Based Net Worth Capital proposal, we believe the following items must be addressed and remedied:**

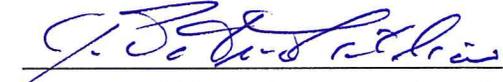
**NCUSIF Deposit**

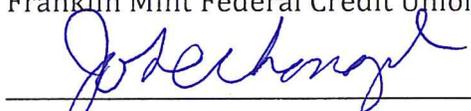
Under the proposed rule, the NCUSIF deposit is deducted from assets and equity which implies that the deposit itself is worthless. If one of the primary objectives of the rule is to establish boundaries for identifying risks to the share insurance fund, this provision shows that the NCUA believes this deposit has a market value of zero and should be expensed by all credit unions.

**Mortgage Servicing Rights**

We believe weighting mortgage servicing rights at 250% is excessive. Mortgage servicing rights are recorded in accordance with Generally Accepted Accounting Principles and, if done so properly, pose minimal risk to the balance sheet. Additionally, by weighting these assets at 250%, it deters credit unions from serving members by providing mortgage products while eliminating interest rate risk from the balance sheet at the same time.

Respectfully,

  
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J. Patrick Killian, Chairman of the Board  
Franklin Mint Federal Credit Union

  
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John D. Unangst, President/CEO  
Franklin Mint Federal Credit Union