

From: [Linda Bodie](#)
To: [Regulatory Comments](#)
Subject: Risk-Based Capital Comment
Date: Wednesday, May 14, 2014 8:54:15 AM

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From: Linda Bodie
Element FCU

05/14/2014

Dear Mr. Poliquin:

I am both a patron of several CUSOs and a member and employee of a great credit union. Recently I came across a number of articles in credit union trade sites regarding a proposed regulation that the NCUA has formulated with respect to risk-based capital requirements. My understanding is that this proposal will affect both my CUSOs and my credit union in a very negative way.

It seems that most industry professionals view this proposal as going well beyond what is necessary to protect the insurance fund, and with the resulting consequence of limiting services to members. It will also discourage credit unions from investing in CUSOs, which have provided credit unions with extensive benefits including, but not limited to, patronage dividends returns and reduced expenses as a result of cooperative bargaining on technology.

I hope that you can understand my concern in that while my CUSOs and my credit union are very strong organizations, placing such heavy-handed regulation on them will undermine the cooperative principles they hold dear as the true differentiator in the industry. My recommendation is that the NCUA 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 your insurance fund.



Linda Bodie
Element FCU