

March 11, 2014

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

Re: Comment to the Proposed Prompt Correction Action-Risk-Based Capital Regulation

Dear Mr. Poliquin:

MEMBERS Trust Company, FSB, owned and managed by over 40 credit unions, operates as a national trust company and is qualified as a CUSO. We would like to provide the following comments on the proposed risk-based capital rule.

Our operating strategy, as directed by our credit union owners, could be characterized as a hybrid vision, since we do not attempt to maximize net profit or strive to deliver services at an operating loss. This underlying strategy has enable MEMBERS Trust Company to operate at a net profit while filling a huge gap in the trust service business.

The huge gap is the over emphasis of bank trust departments and trust companies to focus on the top 1% of wealthy households with respect to serving as trustee of family trusts. Unless an American family has more than \$1 million, they may be denied access to a corporate trustee to manage a special needs trust for a disabled child, to manage a small trust for an elderly parent or to manage an IRA trust for a spendthrift beneficiary. This is highlighted in a quote from an ABA publication: "Bank trust departments receive much criticism for their apparent failure to serve the fiduciary needs of the person of modest means. This disregard of the requirements of a large segment of the population is viewed at best as selfish and at worst as an abdication of a basic tenet of corporate social responsibility." This quote appeared in a 1979 publication. Safe to conclude, the strategic direction over the years has not remedied this situation.

Credit unions formed MEMBERS Trust Company primarily to give access to American families to corporate trustee services. Our bank charter application stated our vision as follows: "Overall, MTC's vision is to build a trust operation that will drive down the size of the minimum trust account and yet remain profitable, thereby expanding access to trust services to many more consumers".

I am sure across the United States there are many more CUSOs like MEMBERS Trust Company providing financial services under a similar operating philosophy. We would encourage the National Credit Union Administration to partner with credit unions and their CUSOs to fill other financial gaps for American families. This current proposal will dissuade most credit unions from CUSO investments which will at the end of day cost American families that need a corporate trustee or other financial service that is either being denied or overpriced.

Sincerely,



Tom Walker, President & CEO

Cc: Deborah Matz, Chairman
Michael Fryzel, Board Member
Richard Metsger, Board Member