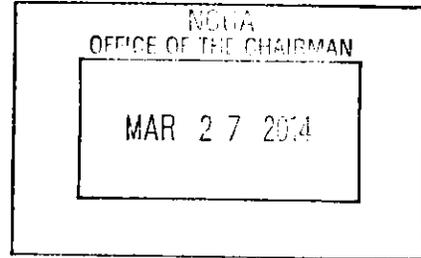




Gary A. Grinnell, President and Chief Executive Officer

March 21, 2014

The Honorable Debbie Matz
Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428



Dear Chairman Matz:

On behalf of the Board and management of Corning Federal Credit Union, I would like to take this opportunity to express our concern that the NCUA's online risk-based capital calculator continues to be available to the public. We disagree with this and explain our reasoning below.

By way of background, Corning Federal Credit Union is a \$1.1 billion asset institution, serving over 88,000 members. We are well capitalized, with a net worth ratio of 9.03%, and we would remain well capitalized under the proposed risk-based capital model.

While we agree that the calculator is a valuable tool for credit unions analyzing the impact of the risk-based capital proposal, we believe its existence in a public forum does more harm than good. The proposed regulation is highly complex and will likely undergo significant changes before it is implemented. Without fully understanding these complexities, the general public could perceive the calculator results as being an assessment of a credit union's strength and draw inaccurate conclusions based on a rough formula that will take years to actually implement.

We believe that the calculator should be placed behind a password-protected firewall. In moving the calculator, it would ensure that it remains available to credit unions and trade associations as they prepare their feedback on the proposed regulation, but not generate undue safety and soundness concern with the public. While we understand the NCUA's desire for transparency, we do not believe that transparency should come at the risk of unnecessarily worrying members about the financial strength of their credit union. Further, the NCUA does not allow credit unions to disclose their CAMEL code ratings to members because they are viewed as indicators of a credit union's safety and soundness. We believe the NCUA should follow this same practice with the calculator. The risk-based capital ratio provided by the calculator could easily be viewed by the public as an overly simplistic determination of a credit union's strength.

Thank you for the opportunity to comment on these concerns. Should you have any questions or require additional information, please contact me at 607-962-3144, ext. 292.

Sincerely,

Gary A. Grinnell
President and Chief Executive Officer

cc: The Honorable Michael Fryzel, Board Member
The Honorable Rick Metsger, Board Member