From:	rmessner@integrityfederalcreditunion.com
To:	_Regulatory Comments
Subject:	PCA - Risk Based Capital
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To Whom It May Concern:

I am writing to express extreme concern regarding the proposed changes being reviewed for change for Credit Unions all over the country. The committee is over looking some very basic tenants in the differences between banks and credit unions. First, banks are for profit and as such they will make profit anyway they can. This was demonstrated back in the mid 2007-2010 when many banks failed due to the extension of poor credit to home buyers. Credit unions are run for the distinct purpose of taking care of its members on a local basis. NO ONE understands better the local economic climate better than the local CU board of directors and its management.

This was demonstrated when banks lost $2.30 FDIC per $1,000 while credit unions lost .26 per $1,000. We have seen that risk based approach DOES NOT WORK!! It does make sense to have a minimum leverage ratio BUT it should be the same for ALL financial institutions and sizes. The proposed changes would reduce the risk for NCUISF but it would significantly increase the cost to credit unions and there members.

The proposed changes should be re-worked and changed significantly because:
1. RBC has too many complexities.
2. RBC promotes government "asset" allocations.
3. RBC requires the focus to be on regulators models NOT members NEEDS.
4. RBC Overrides board of directors and management judgment as to local business and risk. NO one knows and understands the local economic climate better than the board of directors and management of the credit union.
5. RBC has individual minimum capital requirements give examiners too much subjectivity and opens the doors for abuses.
6. 18 months is NOT nearly enough time to even begin to make the changes that are being proposed.

This move will single handily kill credit unions which are the back bone of this nation. We are seeing members leaving banks by the masses, why? because credit unions are extending fair credit to its members where banks are not.

These proposals are NOT in the best interest of credit unions and should not be adopted.

Best regards,

Ronald B. Messner
Chairman of the Board of Directors
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