Dear Secretary of the Board Poliquin,

I am writing on behalf of Premier Credit Financail Union, which serves 5 counties in Wisconsin. We have 8706 Members and $76 million in assets. PFCU appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

Under the proposal, and examiner would have the discretion to increase a credit union's individual risk-based capital requirement during an examination or supervisory assessment, based only on the examiner's subjective determination that the credit union needs additional capital. Imposing higher capital requirements on credit unions on a case-by-case basis would give examiners far too much discretion and create too much uncertainty for credit unions. This rule, as written, will already rain competitive disadvantage and hardship on credit unions. To allow additional "just because I said so" authority for individual examiners compounds these effects.

The risk weighting for member business lending will deter credit unions from engaging in business lending - which they may need to survive. This sends a mixed message in light of the NCUA's advocacy for a higher MBL cap and in spite of how well credit unions fared compared to banks during the recession.

I absolutely disagree with the proposal that NCUA could be able to restrict dividend payments?

Although it appears that my credit union would not be immediately adversely affected by the new rules, I am opposed these proposed rule changes. Continued new regulatory burden prohibits flexibility and risk based decision making.

Thank you for the opportunity to comment on this proposed rule and for considering our views on risk based capital requirements.

Sincerely,

Steven R Nothem, President
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