

**From:** [Kristin Brojanac](#)  
**To:** [Regulatory Comments](#)  
**Subject:** Prompt Corrective Action Risk-Based Capital Comment Letter  
**Date:** Thursday, May 08, 2014 4:50:06 PM

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Dear Secretary of the Board Poliquin,

I am writing on behalf of Brewery Credit Union, which serves Southeastern Wisconsin. We have 7100 Members and \$34 million in assets. Brewery Credit Union appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

Brewery Credit Union is a Community Development Financial Institution with a low income designation. Our members are typically riskier than most and we strive to serve them and meet all of their needs. We do \$300 loans for groceries or We Energies bills to someone who would not qualify for a loan other than a Payday loan with an enormous interest rate. If the Risk Based Capital Rule goes into effect, it could severely limit our ability to meet our member's needs. During the previous recession, Brewery Credit Union made responsible loans and did not take large losses, even though we were lending to high risk members. I believe this demonstrates that the Risk Based Capital rule places an unnecessary burden on credit unions, many of whom lend responsibly and have come through the recession ok.

I do not believe that the NCUA should be able to impose capital limits on a case by case basis. I think they would target credit unions like mine, since we are low income designated and we have a riskier lending portfolio. We know our members best and the NCUA, not having many Community Development Financial Institutions to regulate, cannot understand our membership base and therefore, cannot understand our capital situation like they would need to be able to in order to recommend a capital level that is appropriate for us.

I also feel that the 18 month timeline for implementation is much too short for the credit union industry to comply with. If the Risk Based Capital rule goes into effect, I think a timeline of two to four years would be a more appropriate timeline for credit unions to get their capital requirements to the levels that are needed.

I have worked at Brewery Credit Union for 15 years and have grown up in the credit union industry. I am currently the Operations Manager and can directly see how the Risk Based Capital rule would affect our membership and in turn, the community.

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

Sincerely,

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