

From: [Olivier Swinnen](#)
To: [Regulatory Comments](#)
Cc: [Cleo Segovia](#)
Subject: Olivier Swinnen – Comments on Proposed Rule: PCA – Risk-Based Capital
Date: Friday, May 09, 2014 11:59:25 AM
Attachments: [image002.png](#)
[image003.png](#)

Dear Mr. Poliquin:

As an employee of Resource One, I would like to take the time to address my personal concerns regarding the proposed Risk-Based Capital Rule. While I support the requirements for credit unions to be financially healthy, the proposal would instead have an adverse effect on the movement. I would like to express my concerns and offer the following comments with the intent to improve the proposal:

- The current system works, credit unions came through the last Recession, the worst financial crisis since the Great Depression, just fine. Resource One has long demonstrated consistent growth since it was originally chartered. Although I believe the NCUA is making motions to improve capital risk within the credit union movement, there seems to be flaws in its current state.
- It is difficult to understand why all MBLs would have the same risk rating. A share-secured MBL holds far less risk compared to an unsecured line of credit. The RBC proposal will discourage credit unions from making these kinds of loans, which is a disservice to our members.
- An item in the proposal that is very troubling is the concept that an Examiner can arbitrarily increase the required capital that a credit union will need to maintain. That is particularly troubling considering that the proposal is already more stringent than the banks and allowing the Examiners to require additional capital could result in unrealistic and inconsistent capital guidelines with no ability to know how to measure that additional required capital.

I appreciate your willingness to allow me to express my comments on this impactful regulatory proposal. I respectfully encourage you to consider improvements to the proposed Risk-Based Capital Rule in accordance with my views included in this letter. Thank you again for the opportunity to voice my opinions and comments on the proposal.

Sincerely,



Olivier Swinnen

Branch Manager R1 Tower
Member/Owner since 2010
p: 214-319-5560 f: 214-292-0792
www.r1cu.org |  



CONFIDENTIALITY NOTICE The information in this e-mail may be confidential and/or privileged. This e-mail is intended to be reviewed by only the individual or organization named above. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein is prohibited. If you have received this e-mail in error, please immediately notify the sender by return e-mail and delete this e-mail from your system.

This e-mail and any attachments may contain confidential information. If you are not the intended recipient, please notify the sender immediately by return e-mail, delete this e-mail and destroy any copies. Any dissemination or use of this information by a person other than the intended recipient is unauthorized and may be illegal. Resource One Credit Union reserves the right to monitor all e-mail communications through its networks for quality control purposes.