

From: [Jody Karnes](#)
To: [Regulatory Comments](#)
Subject: Risk-Based Capital Comment
Date: Sunday, May 11, 2014 9:32:56 AM

To: Regulatory Comments
From: Jody Karnes
CU*Answers

05/11/2014

Dear Mr. Poliquin:

I belong to multiple credit unions and am also an employee of a CUSO. The proposed changes to the Risk-Based Capital requirements for credit unions is going far beyond what is necessary to protect the insurance fund and in the end will negatively impact services to the CU members. It will also discourage credit unions from investing in CUSOs such as the one I work for. Beyond traditional services that our operating CUSO offers to credit unions, we go above and beyond in supporting and extending services to credit unions of all sizes.

I hope that you can understand my concern in that while both my CUSO and my credit unions are very strong organizations, placing such heavy-handed regulation on them will undermine the cooperative principles they hold dear as the true differentiator in the industry. My recommendation is that the NCUA take this proposal off the table until such a time as a capital requirement regulation that meets the needs of the industry can be designed—and not one that's solely concerned with the health of your insurance fund.



Jody Karnes
CU*Answers