

**From:** [Chris Butler](#)  
**To:** [Regulatory Comments](#)  
**Subject:** Risk-Based Capital Comment  
**Date:** Monday, May 12, 2014 4:23:11 PM

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To: Regulatory Comments  
From: Chris Butler  
Commuity Credit Union

05/12/2014

Dear Mr. Poliquin:

I am an employee of a credit union. I've been reading articles in credit union trade sites regarding the proposed regulation that the NCUA has formulated with respect to risk-based capital requirements. My understanding is that this proposal will affect my credit union in a very negative way.

It seems that most industry professionals view this proposal as going well beyond what is necessary to protect the insurance fund, and with the resulting consequence of limiting services to members. I know it will impact the services we can provide to our members. It will also discourage credit unions from investing in CUSOs, which have provided credit unions with extensive benefits including, but not limited to, patronage dividends returns and reduced expenses as a result of cooperative bargaining on technology.

I hope you can understand my concern in that while my credit union is a very strong organizations, placing such heavy-handed regulation on it will undermine the cooperative principles we 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 our insurance fund.



Chris Butler  
Commuity Credit Union