

From: [Joseph Marzullo, IV](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Monday, May 12, 2014 3:10:08 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Washington Area Teachers FCU, which serves select employer groups in the greater Washington, PA area. We have 4,073 members and \$62.5 million in assets. Washington Area Teachers FCU appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

I do not believe this proposed regulation is necessary at this time for our industry. I am afraid it will impose a severe regulatory and financial burden on many credit unions across the country. Our credit union emerged from the recent financial crisis in good financial condition, a situation enjoyed by many of our colleagues. This in many ways is due to our local market existence, making us unique in the greater financial services marketplace. To judge us equally by a national financial standard, one based in the fear of a possibility, would be an unfair application of standards.

At the current time credit unions monitor their own financial strength internally, through board supervision, through outside auditors, and during the annual NCUA exam. If in the course of these examinations all proves satisfactory then I see no need to impose a "one size fits all" requirement for additional capital. My belief is that beyond fundamental, core requirements, individual credit unions should be analyzed as individual entities within the greater framework of the industry.

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

Sincerely,

Joseph S. Marzullo IV President and CEO
1514 Greendale Dr
Pittsburgh, PA 15239