FORT WORTH
City Credit Union

May 12, 2014

Mr. Gerard Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Sent via email to: regcomments@ncua.gov

RE: Fort Worth City Credit Union Comments on Proposed Rule: PCA-Risk Based Capital

Dear Mr. Poliquin:

This letter represents the views of Fort Worth City Credit Union regarding the NCUA's proposal on PCA-Risk Based Capital (RBC). Fort Worth City CU is based in Fort Worth, TX and serves the City of Fort Worth employees along with a handful of other SEG's, and we have approximately 10,500 members. We appreciate the opportunity to comment on this very important issue.

As I understand it, NCUA is basically required to implement some type of RBC requirement in order to match what the FDIC is doing with Basel III. With that understood, I know stating the obvious fact that we need regulatory relief, not additional regulatory requirements, will not stop the train. Therefore, a few concerns about the proposed RBC requirement are as follows:

- I don't believe that a complex Credit Union can be solely determined by its asset size. We are about $150M in assets and I would not consider us complex at all. It would seem that using concentration risk ratios would be more appropriate. For example, if we had more than 25% of assets in MBL's, we might be considered a complex CU.

- The proposed RBC is asking for more detailed information than the Basel III requirements, which means it will take us more time to complete the Call Report, and more cost to pay our vendors to separate out all the data to match what the Call Report is asking for. When we as an industry are not as complex as our bank counterparts, I don't understand why we have to spend twice the time submitting more data.

2309 Montgomery Street, Fort Worth, Texas 76107 | p. 817.732.2803 | f. 817.732.7524 | fwccu.org

FORT WORTH
City Credit Union

- If you are going to require us to submit more detailed information than what Basel III requires, unsecured personal loans should be weighted differently than secured personal loans. The same could be said for different types of CUSO investments, and even credit card portfolios.

- Section 702.105 pertaining to the subjective determination of higher capital amounts should be clarified. If subjectivity is going to be used, which will come directly from an examiner in most cases, a process should be established to allow the Credit Union to formally respond and have a hearing, if necessary, before being required to stop or shut down any of their operations.

- Banks have until 2019 to adhere to Basel III; an 18 month time frame for Credit Unions is not fair and I would suspect not enough time for those that are complex to unload some of their assets without taking a loss.

Thank you in advance for your attention in this matter.

Sincerely,

Ron Fox, President

2309 Montgomery Street, Fort Worth, Texas 76107 | p. 817.732.2803 | f. 817.732.7524 | fwccu.org