

From: [Scott Collins](#)
To: [Regulatory Comments](#)
Subject: Risk-Based Capital Comment
Date: Monday, May 12, 2014 9:59:52 AM

To: Regulatory Comments
From: Scott Collins
Xtend, Inc.

05/12/2014

Dear Mr. Poliquin:

I am both an employee of a CUSO and a member of three great credit union cooperatives. Recently I came across a number of articles in credit union trade sites regarding a proposed regulation that the NCUA has formulated with respect to risk-based capital requirements. In my opinion both my livelihood and my chances to choose an alternative to banks are being threatened by proposed legislation. This is both draconian and unwarranted in such a heavy-handed manner that is not indicative of the cooperative nature our industry was formed on.

The owners and peers I have spoken with 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 and even putting some credit unions out of business. It will also discourage credit unions from investing in CUSOs such as the one I work for, which have provided credit unions with extensive benefits such as patronage dividends returns and reduced expenses as a result of cooperative bargaining on technology and human resources.

My recommendation is that the NCUA take this proposal off the table immediately 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.



Scott Collins
Xtend, Inc.