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May 12, 2014

Gerard Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22304-3428

RE: Comments on NCUA Proposed Rule: Prompt Corrective Action—Risk-Based Capital

Dear Mr. Poliquin,

The proposed NCUA Risk-Based Capital Rule, if adopted as written, stands to jeopardize North Star Community Credit Union's history of providing area farmers and ranchers with the working capital needed to buy land, machinery and open lines of credit for input costs for their ag businesses. Due to the wording in this proposed rule, NSCCU may be forced to curtail lending to a new generation of farmers. Some families we have a 4-generation history of a very successful business relationship.

In rural ND, agriculture is the business of many of our members. Some who have had their farms within their families for several generations. NSCCU has served the rural communities of Maddock & Rugby, ND for over 70 years and more recently in Bottineau, Cavalier and Grafton ND. The proposed ruling as introduced by NCUA does nothing to take into account how risks are mitigated through the experience that credit unions in rural communities have. If the rule were to be finalized as proposed, NSCCU and many of these credit unions would have to cease agricultural lending to come into compliance, this removes another lender from the marketplace and forces members that have been successful credit union ag borrowers to go elsewhere for their financing. To recoup the losses incurred by this loss of loan interest income, additional fees and raising rates would be a very real possibility. Coupled with cutting expenses and lowering dividend rates on savings and investments, the effect of this proposed rule would be felt throughout the entire membership and communities we serve.

We urge the NCUA to review the rules as proposed in the Risk-Based Capital Rule. Our livelihood is being threatened with this one-size-fits-all approach to member business lending.

Respectfully,