From:	Darren Cameron
To:	_Regulatory Comments
Subject:	Prompt Corrective Action Risk-Based Capital Comment Letter
Date:	Wednesday, May 14, 2014 2:40:07 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Oakland County Credit Union, which serves members that live, work and worship in Oakland County, Michigan. We have 21,000 Members and $193,000,000 in assets. Oakland County Credit Union appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

This NCUA proposal would layer on top of the statutory leverage ratio requirements a risk based standard that would require credit unions to hold capital at 8% of risk-based assets in order to be considered adequately capitalized and 10.5% to be considered well-capitalized. This is in addition to the 6% and 7% leverage ratio requirements to be adequately and well-capitalized. After reviewing the Federal Credit Union Act (FCUA), this requirement appears to be outside of the current requirements, specifically as it relates to section 216. That's one of the main reasons why Oakland County Credit Union opposes this proposal.

In addition, Oakland County Credit Union does not feel that this proposal is necessary given the current financial performance of credit unions in the United States. Credit Unions across the country have grown stronger and become more financial stable than ever before over the past few years so this proposal is not needed and too limiting to the future direction of all credit unions.

Another important consideration is that these capital requirements if implemented, would take away from resources that Oakland County Credit Union could use to provide more competitive products and services to improve the financial lives of our 21,000 members.

Perhaps most importantly, Oakland County Credit Union does not support a proposal that would place such a strong degree of subjectivity in the hands of regulators. This rule, if it is implemented in its current form, would allow for subjectivity by a regulator to require additional risk based capital above what is proposed in the regulation on a case-by-case basis.

Lastly, it is important to consider the historical perspective of our current net worth requirement as it relates to the entire industry. Our current 7% net worth requirement under the existing rule was sufficient to sustain the entire credit union industry through the financial crisis of 2008 and 2009 and credit unions did not require a taxpayer bailout!

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

Sincerely,

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