

From: [Darci Crain](#)
To: [Regulatory Comments](#)
Cc: [Cleo Segovia](#)
Subject: Darci Crain - Comments on Proposed Rule: PCA – Risk-Based Capital
Date: Wednesday, May 14, 2014 8:43:29 AM
Attachments: [image002.png](#)
[image003.png](#)

Dear Mr. Poliquin,

As an employee of Resource One Credit Union, this letter denotes my views regarding the NCUA's proposal on PCA – Risk-Based Capital. Although it is praiseworthy in theory, it would consequently leave unfavorable results. I fully support the concept for risk-based capital for credit unions, but would like to voice my concern and offer the following comments with the intention on improvement:

- Regarding the exclusion NCUSIF deposit in the risk-based calculation, seems unusual that it is treated as having no value when so much has been done to preserve the integrity of the fund. This needs to be reconsidered and reassessed.
- Performing collateralized consumer loans with should have lower risk weight than unsecured consumer loans. Resource One's historical delinquency rate for differs between secured and unsecured loans, which are 1.23% and 3.12% respectively. The proposed rule seems to punish credit unions for quality loans.
- Although the proposal has good intentions for the movement, the one-size-fits-all approach applies to categories of assets, is a major weakness. Each credit union is unique and there should be a better consistency with the proposal.

I appreciate your willingness to allow me to express my comments on this impactful regulatory proposal. I respectfully encourage you to consider improvements to the proposed Risk-Based Capital Rule in accordance with my views included in this letter. Thank you again for the opportunity to voice my thoughts and comments on the proposal.

Regards,



Darci Crain

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