

From: [Lisa Gilligan](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Wednesday, May 14, 2014 2:30:52 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of N.E.W. Credit Union, which serves Oconto, Brown, Marinette and Shawano Counties in Wisconsin. We have 9300 Members and \$74 million in assets. N.E.W. 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.

We have worked diligently to remain well-capitalized but this proposal would threaten our ability to continue to do so.

The rule would require credit unions to hold over \$7 billion in additional capital. This, for a system that withstood the worst financial crisis in 80 years.

Imposing higher capital requirements on credit unions on a case by case basis seems unfair as it would make it very challenging to plan when the rules are unclear.

The risk weightings as proposed may force credit unions to adjust their products and services to avoid increased capital requirements. In the case of N.E.W. Credit Union, it may force us away from our mission to serve our members in our predominantly rural and low-income field of membership.

This huge new rule would further add to the compliance burden that has been challenging all credit union operations in the past few years. The relatively short implementation period would certainly further add to that burden--both in cost and staffing.

In short, we feel the need for this rule is unclear and would not positively impact the credit union system in its present form.

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

Sincerely,

Lisa Gilligan
8798 County Road K
Oconto Falls, WI 54154