From: Rick Webb
To: _Regulatory Comments
Cc: gcooney@mddccua.org
Subject: Risk-Based Capital - Proposed Rule
Date: Wednesday, May 14, 2014 11:33:00 AM

Wednesday May 14, 2014

Mr. Gerard Poliquin
Secretary of the Board
National Credit Union Administration

Mr. Poliquin,

I retired after 43 years on the Board and as President & CEO of my former credit union, so I have some knowledge of the history of the credit union movement, to include the establishment of the Share Insurance, introduction of Share Drafts, establishment of the three member NCUA Board . . . .and credit union CAPITAL.

When 7% was deemed to be "Well Capitalized" we immediately determined that we would set achieving that as a primary target goal and in fact would set our goal to be at least 9% allowing for any economic downturns. Deverting higher dividends and lower loan rates we quickly achieved not just the 7% but also exceeded our goal of 9%.

Recognizing our success and that we existed for the sole benefit of our Members we decided to share with our Members our success buy returning to the Members the excess capital over 9%. This allowed the credit union to maintain the state of "Well Capitalized" with a cushion of 28.6% over the Well Capitalized level. Each year that ended with Capital over 9% we returned that excess to our Members . . . both savers and borrowers. Certainly our Capital could have been higher at this time, but keeping the excess capital, owned by our members, that was beyond regulatory and prudent management was viewed as a disservice to our Members / Owners.

The Proposed Rule establising Risk Based Capital is not just without merit, unnecessary and a disservice to our Members!

Respectfully submitted

Richard (Rick) T. Webb, Retired