

Sylvia Nash

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The Honorable Debbie Matz, Chair
National Credit Union Administration Board
1775 Duke Street
Alexandria, VA 22314

Dear Chairwoman Matz:

As a board member of the American Christian Credit Union, I wanted to share with you my concerns regarding the proposal on risk-based capital (RIN 3133-AD77) issued by the National Credit Union Administration (NCUA) Board on January 23, 2014.

We do not support the proposed Risk-Based Capital Rule. A simple capital ratio is very straight forward and has served us well even during the recession of 2008. Adding a risk-based capital element increases regulatory burden and has unintended consequences. A significant impact will be an incentivized focus on risk-based capital and its elements instead of growth in real capital.

Implementing the proposed rule in its current form on credits unions with assets of \$50 million and greater such as America's Christian Credit Union would have a significant negative impact on our credit union along with many other credit unions with assets over \$50 Million.

Credit unions, unlike banks, do not have the capital stock and can not go to outside investors to seek equity capital to fuel their growth or shore up capital ratios in times of stress. Retained Earnings for credit unions have become more and more difficult to obtain. Growth would be inhibited by any unnecessarily high capital expectations that the NCUA Board might establish. The NCUA Board would in effect be imposing a special "capital tax or fee" on credit union members that bank customers would not have to pay to obtain similar products or services.

As a credit union board member, we are concerned that the amount of time the NCUA Board has proposed. It is much too short for credit unions to appropriately recalibrate their books without adversely impacting their service to their members. We strongly urge the NCUA to give credit unions more time to comment on this proposal and implement the final ruling,

The NCUA Board has an opportunity to provide a leadership example to other regulators by charting a more prudent course and I urge the board to use the flexibility that it has under the Federal Credit Union Act to allow for a pro-growth path for the federally insured credit unions such as America's Christian Credit Union.

Thank you.

Sincerely,

Sylvia Nash

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ACCU Board Member