

**From:** [Bob Peterson](#)  
**To:** [Regulatory Comments](#)  
**Subject:** Risk Based Capital  
**Date:** Monday, May 19, 2014 12:03:57 PM

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May 19, 2014

Mr. Gerard Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314-3428

Sent via E-mail to: [regcomments@ncua.gov](mailto:regcomments@ncua.gov)

Dear Mr. Poliquin:

By way of introduction, I am the President and CEO of One Source Federal Credit Union in El Paso, Texas. We are a \$90 million credit union serving members in the communities of El Paso and Las Cruces, New Mexico, and we have been doing that since 1937.

This letter expresses my concern regarding the proposal on risk-based capital for credit unions. The primary issue I perceive to be affecting One Source in this proposal is in its effect on our lending portfolio. We do not at this time do member business lending, but we have planned for some time to enter that market in a controlled and conservative manner. This plan is based on a need in our communities for small business lending. Additionally, MBL would reduce concentration risk in our overall loan portfolio, enable us to generate higher nominal margins, and serve our business owners/members more constructively.

With the proposed RBC rule, I am uncomfortable with the implication that the perceived increased risk in member business lending will create a regulatory requirement for higher capital ratios. Unnecessary limits in that part of my lending program would, I believe, seriously impact One Source's lending operation and undermine the attainment of those benefits noted above. Although our organization has the capabilities and the financial wherewithal to initiate business lending we would be reluctant to offer that service to our members given the impact on our capital requirement. The net results would be deprivation of a needed service to our members, restriction of our lending capabilities, and perpetuation of our over-dependence on automobile and signature lending.

I urge the NCUA board to re-consider this proposal in the light of its impact on credit unions like ours that want to conservatively but assertively serve all the needs of our members in a fiscally sound manner. I will gladly discuss this in whatever detail with any of your staff.

Sincerely,

Bob Peterson, CCUE, CFSP  
President & CEO  
One Source FCU  
915-791-4601