



Member owned. Not-for-profit.

May 09, 2014

MAY19'14 PM 1:45 BOARD

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

Re: Resource One Comments on Proposed Rule: PCA – Risk-Based Capital

Dear Mr. Poliquin:

As an employee of Resource One, I would like to take the time to address my personal concerns regarding the proposed Risk-Based Capital Rule. While I support the requirements for credit unions to be financially healthy, the proposal would instead have an adverse effect on the movement. I would like to express my concerns and offer the following comments with the intent to improve the proposal:

Regarding member business loans, assigning more risk for member business lending in excess of 15% of assets has no basis considering credit unions are capped at 12.50%, unless the proposed regulation implies the waiver process serves no benefit to address the additional perceived risks in the eyes of the NCUA.

The current system works, credit unions came through the last Recession, the worst financial crisis since the Great Depression, just fine. Resource One has long demonstrated consistent growth since it was originally chartered. Although I believe the NCUA is making motions to improve capital risk within the credit union movement, there seems to be flaws in its current state.

An item in the proposal that is very troubling is the concept that an Examiner can arbitrarily increase the required capital that a credit union will need to maintain. This is particularly troubling considering that the proposal is already more stringent than the banks and allowing the Examiners to require additional capital could result in unrealistic and inconsistent capital guidelines with no ability to know how to measure that additional required capital.

I respectfully and respectfully ask the NCUA to carefully review the proposed rule, to either eradicate or alter certain guidelines for the development of all credit unions.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Ashley', with a long, sweeping underline that extends to the right.

Dustin Ashley  
Business Development Officer