

15201 Trail Ridge Road SW
Cumberland, MD 21502
May 18, 20014

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

Dear Mr. Poliquin:

I am writing regarding the Prompt Corrective Action-Risk Based Capital. As Vice-Chair of the Board of Directors of the Allegany County Teacher's FCU in Cumberland, Maryland I am concerned that the current proposal is flawed in many ways.

The Allegany County Teacher's FCU serves the students and staff of the Allegany County schools, Allegany College of Maryland and Frostburg State University. Our current membership is just short of 10,000 members with assets in excess of \$97 million.

As a member of the Board I feel strongly that the proposed rule is without merit. Furthermore, if the proposed rule is adopted, it will place an undue burden on credit unions to comply. In fact, most affected credit unions would need to increase the amount of capital held in order to be well capitalized, and would likely face burdensome risk weightings that would serve as a disincentive to continue or enter into member business and mortgage lending programs, and long term investments, inevitably pushing members to our competitors. The environmental influences in Allegany County MD have had and will continue to have tremendous influence over decisions of our members. Unemployment continues to increase and the average age of the population is increasing.

The proposed risk-weights don't make sense and would have an influence on our mortgage and business loan areas. Furthermore, the examiner discretion to change risk ratings as well as the proposed implementation date are of great concern.

As the Vice-Chair of the Allegany County Teacher's FCU, I would ask that the input from various factors will be considered with the withdrawal of this flawed proposal. In its place a new dialogue can begin with the credit union community. At the very least, I would hope the NCUA would pursue the appropriate amendments to this rule that will ensure a viable, well-balanced risk based capital system. Mr. Poliquin, as I indicated my credit union is one of the smaller credit unions in the region but one that works hard to

meet the needs of its members. Such a proposal would no doubt have a major impact on my credit union's ability to serve an ever changing membership. Please, let's start over!

Thanks for your attention to this matter and the opportunity to comment. If you would have the need to contact me, please feel free to do so at jimlindasnider@verizon.net.

Sincerely,

Dr. James M. Snider, Vice-Chair
Board of Directors
Allegany County Teacher's FCU
Cumberland, MD

cc: aaron_edelman@mikulski.senate.gov
Beth_Bell@cardin.senate.gov
Benjamin.Turner@mail.house.gov
Patricia Folk, CEO, Allegany Teacher's FCU