

From: [Christine Moczynski](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Thursday, May 22, 2014 6:40:07 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Prime Financial Credit Union, which is Wisconsin's first state chartered credit union, chartered in 1923, and serves members in the Greater Milwaukee area. We have 19,722 Members and \$111,698,439 in assets. Prime Financial Credit Union, with support of our Board of Directors, appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

Prime Financial Credit Union reached Well Capitalized status on March 31, 2014 for the first time since December 2008, however, under the proposed Risk-Based Capital Rule, Prime Financial Credit Union would fall back to Adequately Capitalized and be required to generate an additional \$772,567 of income in order to again reach Well Capitalized status.

While we generally agree with a risk-based capital approach, we also have serious concern with some of the specific requirements under the proposed rule.

We have concern regarding the ability of the NCUA to impose higher capital requirements on a case by case basis. The factors and circumstances that give the NCUA the ability to impose higher capital appear to be very subjective in nature.

We also have concern over the short transition period of eighteen months as proposed to comply with the new rule. Given the impact of the proposed rule on Prime Financial Credit Union, eighteen months would not be sufficient to generate the income necessary to achieve Well Capitalized status. A transition period of five years or greater would be a more acceptable time frame.

Thank you for the opportunity to comment on this proposed rule and for considering our views on risk based capital requirements.

Sincerely,

Christine A. Moczynski
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