

From: [David Proffitt](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Thursday, May 22, 2014 11:50:06 AM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Alcoa Tenn Federal Credit Union which serves Blount, Loudon and Monroe Counties in Tennessee. We have 21,000 Members and \$188,000,000 in assets. Alcoa Tenn FCU appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

Our Board of Directors and Audit Committee are very concerned how this new rule will affect our credit union and the credit union movement as a whole. This proposal is not needed. Our credit union is stronger than ever, survived the great recession and is now poised to really help the people of our county with their financial needs.

The current capital standards are currently exceedingly high. To arbitrarily impose the new standards contradicts the mission of a credit union and an overreach by unelected regulators.

The risk weightings for MBLs, Mortgage Loans, Longer-term investments, Consumer loans are an exaggeration. NCUA is also excluding the NCSUIF deposit from the calculation of RBC ratios?. Why? Arbitrary again.

Credit unions can only build capital by net income. This proposal will now make that even harder

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

Sincerely,

David W. Proffitt, President and CEO
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