

From: [Timothy Rasmussen](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Friday, May 23, 2014 1:50:06 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Community First Federal Credit Union, which serves 18 townships located in Montcalm and Mecosta Counties in the state of Michigan. We have approximately 6500 Members and \$25 million in assets. Community First Federal Credit Union appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

How would your credit union be affected by the proposal? The concern is for higher capital requirements as we grow towards the \$50 million asset mark. We are below 7% now and when we tried to apply for secondary which seemed extremely difficult to obtain. Our concern is that without easier access to secondary capital this could create an undue burden on our credit union.

Do you agree this new proposal is necessary? It seems like the credit unions that survived a major crisis and the credit unions left are stronger than ever. Also the majority of the problems from our understanding came from two corporate credit unions and not the natural person credit unions therefore additional regulations seem unnecessary to our credit union.

Do you agree NCUA should be able to impose higher capital requirements on credit unions on a case by case basis? We are ok with this but are always concerned with any higher capital requirements and any unfair advantages that may be created.

Do you agree NCUA should be able to restrict dividend payments as the proposal would provide? Our thought is if dividend payments are restricted then the credit union will eventually go out of business.

Summary of your position:

Community First Federal Credit Union's concern with the higher capital requirements is the access to secondary capital and unfair advantages that may occur because of the proposal.

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

Sincerely,

Timothy G. Rasmussen, CFFCU CEO
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