

From: [Kelley Howard](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Tuesday, May 27, 2014 2:40:06 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Fox Valley Credit Union, which serves the city of Aurora, IL. We have 2648 Members and 20,000,000.00 in assets. Fox Valley 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.

While this proposal doesn't directly affect us, it may certainly do so in the future.

Every Credit Union's balance sheet varies dramatically, and while some loans may have a higher risk than others, certain considerations should be made, such as a credit union's low-income designation, opportunities to provide loans to lower rated paper, and assisting with credit building lending. Being held to this standard could result in these credit union's potentially not providing these products which are vital to the communities they serve.

We are concerned with the proposal to give examiners the power to impose higher capital standards on individual credit unions. It seems that the imposition of even higher capital standards would only insure that a struggling credit union would not recover.

Fox Valley Credit Union is not in favor of the new guidelines proposed, the rules are severe when we consider how strong the industry remains after the recession we endured. Why should NCUA feel it necessary to impose such a greater standard than that of the banking industry?

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

Sincerely,

Kelley Howard
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