

From: [Peggy Custis](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Tuesday, May 27, 2014 4:10:06 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Virginia State University Federal Credit Union, which our field of membership serves those that are of, by or for the campus of Virginia State University. We have just over 2,400 Members and \$10M in assets. VSUFCU appreciates the opportunity to provide its comments to the National Credit Union Administration (NCUA) on the proposed rule, Prompt Corrective Action - Risk-Based Capital.

Our credit union will be affected adversely by this proposal in a manner that would not allow us to service our membership in the manner to which they are accustomed. Higher liquidity requirements would take away from our ability to lend and would impact our members in a severe way.

We do not feel that this new proposal is necessary. We are watching the movement slowly implode with our numbers shrinking every year. Often the smaller credit unions are the life's blood of their communities. If we as an industry want to continue to honor our cause, we should seek more ways to inform and educate the public on the benefits we offer in contrast with the banking industry.

The NCUA should be not be given the ability to impose higher capital requirements on credit unions. Every opportunity for credit unions to succeed should be evaluated and implemented on a case by case basis based on condition and circumstance.

The decision to provide dividend payments has and should reside with the individual credit unions. We do not agree the NCUA should be able to restrict dividend payments.

NCUA would assume additional authority to impose even higher capital requirements on individual credit unions that could exceed even well-capitalized level requirements.

It is our position that these alterations will put an undue burden on our ability to function for the benefit of our members. It is my hope that you will consider our input before taking any action to move forward with this proposition.

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

Sincerely,

Peggy B. Custis
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