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May 15, 2014

Mr. Gerald Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314-3428

Re: Resource One Comments on Proposed Rule: PCA – Risk-Based Capital

Dear Mr. Poliquin:

This letter represents the views of Resource One regarding the NCUA's proposal on PCA – Risk-Based Capital. Resource is based in Dallas, Texas and serves approximately 48,000 members in Dallas and Northwest Harris Counties. As Board Member for Resource One, I would like to take the time to address my personal concerns regarding the proposed Risk-Based Capital Rule with the intent to improve the proposal:

- Credit unions came through the last Recession in 2007-08, the largest recession since the Great Depression just fine, without needing one penny of taxpayers' dollars. While credit unions fared well during the recession, banks stopped lending. Why should NCUA impose more stringent RBC requirements than banks currently operate under. Credit unions will continue to endure and reap the benefits that banks cannot.
- Regarding member business loans, assigning more risk to member business lending in excess of 15% of assets has no basis considering credit unions are capped at 12.50%, unless the proposed regulation implies that the 12.50% cap serves no benefit to address the additional perceived risks in the eyes of the NCUA.
- I disagree with the proposed rule limiting the allowance for loan loss in the numerator calculation to no more than 125% of risk assets. The ceiling seems arbitrary at best, and given the likely accounting rule changes in estimating the allowance, credit unions will be unfairly penalized.
- Lastly, the 18-month proposal implementation period for such an impactful and profound proposal is unjustly short. Allow management be better prepare for the potential rule without making rash and ineffective decisions.

I appreciate the opportunity in allowing me to express my comments on this impactful regulatory proposal. I respectfully encourage you to consider improvements to the proposed Risk-Based Capital Rule in accordance with my views included in this letter.

Sincerely,

Keith Willson  
Board Member



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