Fieldstone credit union

May 22, 2014

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

Dear Mr. Poliquin:

I am writing regarding the request for comments from credit unions regarding the proposed risk-based capital rule.

I am not opposed to the rule in general. I believe the NCUA has every right to weigh the risks of credit unions and recognize that some credit unions are liberal with their risk acceptance whereas others are very risk-averse. Having a basic measurement like the proposal is a good idea. However, as they say, the devil is in the details.

The three items I disagree with the most are as follows, in no particular order:

1) The 18-month implementation period is far too short. Why were the banks given so long to comply, but yet it is being rushed for credit unions? From this point on, many decisions by credit unions will be made not based only on what is best for the credit union or for the members, but instead will also be based on what will increase or decrease this ratio. We understand that is the cost of having this regulation, but to have only 18 months to implement those decisions before it starts applying….why the rush?

2) Many risk weightings are substantially higher than those applied under the Basel system for banks. I would think they should be relatively equal. Not 100% identical for every single item, but definitely more similar than is the case now.

3) Having uniform rules that apply to all credit unions is one thing. Allowing examiners to require more capital for individual credit unions is not justified.

I urge the NCUA board to take these concerns (as well as those expressed by so many others) into account by writing a rule that is more reasonable.

Sincerely,

Mark Baron

Mark Baron
President