



May 16, 2014

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

RE: Risk Based-Capital Proposal

Dear Secretary Poliquin:

I am writing on behalf of Cumberland County Federal Credit Union, which serves Cumberland and York Counties. We have 17,730 Members and 183 Million in assets. Cumberland County 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.

Our credit union does support NCUA implementing a more sophisticated risk-based capital framework, but we do not support NCUA's proposed risk based capital regulation. We are also not in support of the current risk based net worth formula. We believe that a number of risk weightings, especially for MBLs and mortgage concentrations do not appear to be properly calibrated for credit unions.

It is our opinion that interest rate, concentration, and liquidity risks should be guarded against in the risk-based capital framework. Our credit union also feels that real estate and member business loans' weightings should not have different risk weights based on whether they are current or delinquent. We do have corporate perpetual capital, and we do not agree with the risk weighting of 200 percent for corporate perpetual capital. With regards to NCUA's proposal to assign a risk weighting of 150 percent for investments with a weighted-average life between 5-10 years, and 200 percent for those over 10 years, we agree with these proposed weightings. I do not agree that the length of an investment necessarily dictates the level of its risk. Finally, our credit union does have CUSO investments, and we do not agree with the risk weighting of 250 percent of the investments in CUSOs.

We also believe that any risk-based capital framework should include the ability for all credit unions, not just low-income, to have access to supplemental capital.

In closing, I would like to once again reiterate that Cumberland County Federal Credit Union does not support NCUA's proposed risk based capital regulation because we believe that the risk weightings proposed do not seem appropriate.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott Harriman", is written over the word "Sincerely".

Scott Harriman
President/CEO