



May 28, 2014

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

Sent via E-mail to: regcomments@ncua.gov

Re: Guardian First Federal Credit Union Comments on Proposed Rule: PCA – Risk-Based Capital

Dear Mr. Poliquin:

This letter represents the views of Guardian First Federal Credit Union regarding the NCUA's proposal on PCA – Risk-Based Capital. Guardian First FCU is based in Fort Worth, Texas and serves an underserved area in Tarrant County, Texas with over 1200 members. Guardian First FCU appreciates the opportunity to comment on this very important issue.

Definition of "Complex" Credit Union (Sec. 702.103)

Guardian First FCU opposes the proposed definition of "complex" credit union.

The proposal would define a "complex" credit union as ANY credit union with over \$50 million in assets. There is nothing magical about \$50 million in assets; size alone does not make a credit union complex. NCUA has provided no justification for expanding the definition of complex credit union.

Regulatory Burden ("Paperwork Reduction Act")

Small credit unions simply cannot continue to survive under current regulatory burdens. This proposal is one more example of unnecessary regulatory burdens impeding the ability of small credit unions to serve their members. Although many small credit unions will not be classified as "complex" and subject to the RBC requirements, the small credit unions are indeed still impacted by the proposal.

As drafted, the proposal increases the regulatory burdens of all credit unions, even those under \$50 million in assets. This is attested to by NCUA in the "Paperwork Reduction Act" portion of the proposal which estimates the time burden for each credit union (not just complex credit unions) to collect risk-based capital ratio data at:

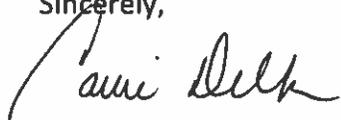
- One-time recordkeeping, 122 hours;
- On-going recordkeeping, 20 hours; and
- One-time policy review and revision, 20 hours.

That equates to over 160 hours of work (or one full month!) for a small credit union such as ours that only has 3 1/2 employees. Does NCUA really think it is reasonable that a small credit union should spend a month of the year on this rather than serving its members?

Extend Compliance Date

Credit unions need additional time to comply beyond the proposed 18 months. Basel III allows banks until 2019 to comply. Credit unions should receive a comparable compliance period.

Sincerely,



Carrie Delker, President