

From: [Carla Watson](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Wednesday, May 28, 2014 12:31:14 PM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Badger-Globe Credit Union, which serves employees and families of Kimberly-Clark Corporation. We have 3100 Members and \$40,000,000 in assets. Badger-Globe 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.

Though we are under the current threshold of \$50,000,000 we are concerned about several parts of the proposal as we may hit this mark.

We disagree that NCUA should be able to impose higher capital requirements on credit unions on a case by case basis. Exam results vary with each exam and examiners.

The risk ratings don't seem to make sense, as they don't concentrate on all areas of risk. They appear to be based on past problems and current balance sheet compositions. If we truly do what we are in business for, serving our members, and our share-to-loan ratios increase to where we would like them, the risk ratings for loans would be high and would perhaps force us to curtail making good loans to good members.

Also, there is no provision for secondary capital.

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

Sincerely,

Carla Watson, President
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