

From: [Karen Gibson](#)
To: [Regulatory Comments](#)
Subject: Prompt Corrective Action Risk-Based Capital Comment Letter
Date: Wednesday, May 28, 2014 9:51:36 AM

Dear Secretary of the Board Poliquin,

I am writing on behalf of PWC Employees Credit Union, which serves employees of Prince William County government entities, their families and volunteers. We have nearly 7800 Members and approximately \$51 million in assets. We just crossed the \$50 million threshold in February of this year. PWC Employees 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.

PWC ECU is well-capitalized. It makes little sense to require MORE capital, based on what I perceive as an examiner's very arbitrary choice. It appears that this is a move to further impede the "little guys" - the smaller credit unions. Every day I see more small credit unions being gobbled up by the "mega credit unions like Navy Federal or Apple, etc. And why are the smaller credit unions being held to the same requirements as these entities that are "too large to fail"? The smaller credit unions surely did NOT cause the major mortgage investment failure debacle, but every credit union, both large and small, had to pay a price to better stabilize the insurance fund. We survived, and have managed to continue to grow, but only just.... And now we have to pay another price? Ludicrous!

Allowing an examiner to impose higher capital requirements arbitrarily, on a case by case basis, can only lead to more lawsuits and disruption. This proposal makes NO sense. Would you allow a teacher to arbitrarily decide which student gets an A grade vs a B grade?

Credit Unions have already paid the price, and bailed out the failures. NCUA should be thanking us, not further penalizing us

If the RBC needs to occur, the NCSUIF deposit should be excluded from the calculation of RBC ratios. Are these NCSUIF deposits REALLY at risk, NCUA? You tell us.

Credit Unions were established to help people. Goodwill is part of "help". Goodwill should be excluded from the calculation of the RBC numerator, else we lose sight of one of the basic premises of credit unions.

NCUA should not be able to restrict dividend payments as the proposal would provide.

NCUA is pressing too quickly for the implementation of this proposal, thereby not completing full due diligence for the full potential repercussions and effects. This mirrors many of the baseless regulations brought forth by our legislative body in DC. Perhaps another 12 months of research to determine the full effects.

Shame on NCUA if this RBC proposal is incorporated as currently proposed.

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

Sincerely,

Karen Gibson
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