



May 28, 2014

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

VIA ELECTRONIC DELIVERY: [regcomments@ncua.gov](mailto:regcomments@ncua.gov)

**RE: Prompt Corrective Action – Risk-Based Capital; RIN 3133-AD77**

Dear Mr. Poliquin:

I get it, we need Risk-Based Capital reform; but please understand this current proposal, as it stands today, is not it. I've highlighted two of the major issues/concerns I have:

1. *NCUA's ability, presumably through its Examiners, to subjectively impose additional capital requirements on a case-by-case basis* ~ It makes me very nervous knowing that even if we comply with Risk-Based Capital regulations, that the NCUA has the power to add even more capital requirements. We should have confidence that abiding by the regulation itself gives all parties involved the peace of mind that a particular credit union is safe and sound.
2. *The lack of empirical foundation for the assigned risk-weights* ~ From what I can interpret via the proposed risk-weights, the regulation is basically making the claim that a new car loan made to a member that has paid us back on all previous four car loans they've received during their 30 years as a City & County Credit Union member is being assigned the same risk category as an unsecured personal loan made to a brand new member with no credit history. There has to be a better way to assign more appropriate risk-weight categories.

Thank you for listening and I sincerely hope that for good of the Credit Union movement we can all come together and get to a point where this new Risk Based Capital regulation is agreeable for a majority of credit unions.

Sincerely,

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