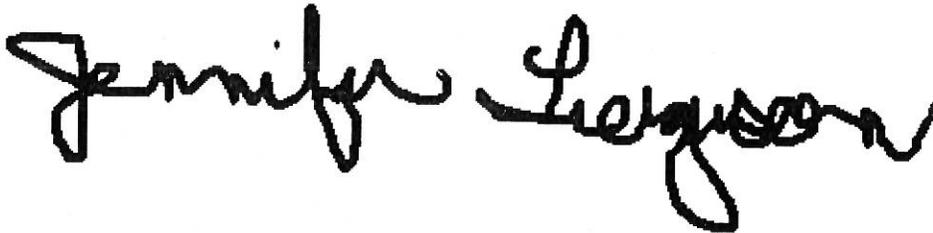

From: Jennifer Ferguson <no-reply@cuanswers.com>
Sent: Friday, April 17, 2015 11:08 AM
To: _Regulatory Comments
Subject: Risk-Based Capital Comment

To: Regulatory Comments
From: Jennifer Ferguson
Bay Area Credit Union

04/17/2015

Dear Mr. Poliquin:

Our credit union's board of directors believes this rule is overreaching as many of the failures this proposed rule is trying to mitigate do not even take into consideration the reasons for the losses during the great recession. As has been depicted during the board meeting and in the proposal, over 40% of failures were the result of fraud; all of us have been following the St. Paul Croatian's fraud loss dilemma, which cost the insurance fund \$170 million dollars to date. Economic policy had nothing to do with many of these losses, regardless of the shape of credit unions' balance sheets. The idea that passing a rule—a seemingly typical government reaction—can stop fraud, eliminate mismanagement and prevent external circumstances from decimating credit union's market environment is wrong. Effective supervision is not rule making, it is intelligent supervision and patient reorganization when problems arise. This is lacking in our cu regulatory community today.

A handwritten signature in black ink that reads "Jennifer Ferguson". The signature is written in a cursive, flowing style.

Jennifer Ferguson
Bay Area Credit Union