

From: [Reynolds, Arna](#)
To: [Regulatory Comments](#)
Cc: [Suzanne Yashewski](#)
Subject: Amarillo Community FCU - Comments on proposed risk based capital rule
Date: Friday, April 24, 2015 12:30:47 PM

I appreciate the opportunity to provide my comments to the NUCA Board regarding this important issue. First of all, the NCUA is to be commended on the willingness to listen and respond to feedback from concerned individuals. It's quite apparent that the comments received on RBC1 were given significant consideration when creating RBC2. However, that being said, RBC2 remains a proposal in need of considerable adjustment as well as the omission of certain aspects.

Our credit union currently serves 30,000+ members with assets of nearly \$225 million. Our members rely on us for consumer loans that are for a myriad of reasons whether it's to purchase a car to get to work, a loan to consolidate debt or a loan for updating their homes. Whatever the reason, they rely on us to help them when the time comes and we are always there to help. We know that bad things happen to good people and occasionally we do experience some losses on our loans but with our delinquency ratio running at .15% to .20% you can see that not only do we know our members but we also don't take excessive risk. To describe us as careful, conservative advocates for our members is a very accurate definition. If we have excess funds, we are conservative in our investment decisions; like most other credit unions we choose to keep our investment portfolio composition very straight forward avoiding any type of exotic or risky behavior.

This discussion brings me to my first concern about RBC2 and the definition of a complex credit union based on asset size. Our credit union would fall into the category as a complex credit union and ACFCU is certainly not complex in anything we do. We do not make business loans, our investment portfolio is very simple with no complicated or exotic investments and our appetite for risk in our loan portfolio speaks for itself through our delinquency and charge off numbers.

Secondly, the need to even be considering a risk based capital proposal is simply a waste of time and valuable resources as credit union have performed according to Chairman Matz, "very well during the worst financial crisis since the Great Depression". Credit unions are not banks, the very core of our existence is to focus on our members. We do not take extreme risks with our member's money and because we live and work in our communities, we are very in-tune with our local markets. There are areas in RBC2 that will result in significant hardships on credit unions with the potential result of credit unions acting more like banks and in turn treating members differently.

I want to thank you for allowing me the opportunity to voice my opinions and concerns

regarding RBC2. The decision to withdraw the proposal completely would be the ideal solution however should that not be possible, I would encourage you to consider the unique nature of credit unions and how they benefit our members and communities. Many of the elements of RBC2 would result in a dramatic change in the credit union industry, with our members and communities paying the ultimate price.

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