

**From:** [Olivier Swinnen](#)  
**To:** ["regcomments@ncua.gov"](mailto:regcomments@ncua.gov)  
**Subject:** Risk-Based Capital (RBC2)  
**Date:** Friday, April 24, 2015 12:50:13 PM  
**Attachments:** [image002.png](#)  
[image003.png](#)

---

Dear Mr. Poliquin,

As an employee of the Resource One, this letter represents my views regarding the NCUA's revised Risk-Based Capital rule. Although it is commendable in theory, it would leave detrimental outcomes. I fully support the concept for risk-based capital for credit unions, but would like to voice my concern and offer the following comments with the intention on more improvement given its oversights.

The current system works, credit unions came through the last Recession, the worst financial crisis since the Great Depression, just fine. Resource One has long demonstrated consistent growth since it was originally chartered, serving over 50,000 members. Although I believe NCUA has taken steps in the right direction to improve the original capital risk proposal, its revised format still seems to have flaws in its current state.

NCUA's rationale for proposing a new risk-based capital rule was to make the RBC system for credit unions more comparable to bank RBC requirements. There is no justification that suggests credit unions were undercapitalized considering their ability to withstand the recent financial crisis and Great Recession compared to banks.

If RBC2 is designed to ensure adequate capital, then let the requirement stand on its own merits. Capital adequacy planning that individual credit unions do should not be subject to examination and supervision. Many credit unions use "complex" modeling scenarios which are built with overly conservative assumptions to start with, then compounded with worst- case event risks. This type of risk management oversight should be promoted in the credit union system. Models with worst-case scenarios are not realistic. This model output should not be used to force higher capital requirements.

I respectfully ask the NCUA to carefully review the proposed revised rule further, to either eradicate or alter certain guidelines for the development of all credit unions. Thank you again for allowing me the opportunity to convey my comments concerning the revised proposal.

Respectfully,

**Olivier Swinnen**  
Branch Manager R1 Tower



Member/Owner since 2010  
p: 214-319-5560 | f: 214-292-0792  
[www.r1cu.org](http://www.r1cu.org) |  



**CONFIDENTIALITY NOTICE** The information in this e-mail may be confidential and/or privileged. This e-mail is intended to be reviewed by only the individual or organization named above. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein is prohibited. If you have received this e-mail in error, please immediately notify the sender by return e-mail and delete this e-mail from your system.

This e-mail and any attachments may contain confidential information. If you are not the intended recipient, please notify the sender immediately by return e-mail, delete this e-mail and destroy any copies. Any dissemination or use of this information by a person other than the intended recipient is unauthorized and may be illegal. Resource One Credit Union reserves the right to monitor all e-mail communications through its networks for quality control purposes.