

April 24, 2015

National Credit Union Administration
Gerald Poliquin, Secretary of the Board
1775 Duke Street
Alexandria, VA 22314-3428

RE: Comments on Proposed Rule: Risk-Based Capital; RIN 3133-AD77

Dear Gerald Poliquin,

I am writing this letter on behalf of the members of Sharefax Credit Union. Since it is apparent that NCUA is committed to having some form of Risk Based Capital even though there is no evidence of such a need from the aftermath of the Great Recession, I would like to express some of my concerns and offer suggestions.

The new proposed rule on Risk Based Capital is an improvement from the initial proposed language. However, there are still areas that must be addressed in order to not be overly burdensome to credit unions.

The most important area is NCUA's definition of a complex credit union. Asset size should not be the defining criteria. The types of investments and loan products offered by the credit union should be a major component in deciding the complexity of the credit union. If asset size is going to be a deciding factor, then credit unions under \$500 million certainly should not be considered complex since their limited size and resources reduces the risk to the insurance fund and restricts their ability to comply to the requirements of the proposed rule.

In addition, any Risk Based Capital rule must include the ability to raise supplemental capital. Capital is the life blood to any business. If you are going to raise the bar on capital requirements, then other forms of capital must be made available.

Finally, any required Capital Adequacy Plan cannot be left up to the scrutiny and determination of the individual examiners. This would be too subjective and allow for individual examiners' personal bias. Any required capital adequacy plan should be determined by the regional office.

Thank you for considering my suggestions and concerns. This proposal is too important to be rushed. Every comment should be evaluated in order to design the least burdensome regulation possible on credit unions.

Sincerely,

Arthur J. Kremer

President of Sharefax Credit Union

Sincerely,

Arthur Kremer
President/CEO
Sharefax CU Inc

cc: CUNA, CCUL