



APCO EMPLOYEES CREDIT UNION

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

Thank you for the opportunity to provide comments on the risk-based capital proposal. I am writing on behalf of APCO Employees Credit Union, Birmingham, Alabama.

While I applaud the NCUA for listening to the feedback from the original proposal I would have hoped for more changes in the RBC2. With the unique nature of credit unions in mind, the NCUA should always resist the temptation to add complex regulations. The RBC2 proposal however, will cause even more challenges and could negatively affect our members.

The proposal contains certain aspects which are too aggressive and too subjective. Additionally, this proposal still assigns risk- weight percentages that are arbitrary, and then adds subjectivity by allowing the examiners to use their discretion as to risk of the credit union.

Please consider delaying an implementation until 2021, which would significantly help credit unions comply the new capital requirements. Also, reevaluate risk weightings such as CUSO investments and mortgage servicing assets so that these make sense for credit unions to still do business in these areas.

If credit unions do need a risk based capital plan, then the NCUA should carefully consider the outcomes of their proposal. We must all work together to ensure that credit unions can operate while providing the services and offer the products that their members need and want.

Sincerely,

Andy Rush

Accounting Manager
APCO Employees Credit Union