

From: [Janet Thompson](#)
To: [Regulatory Comments](#)
Subject: Risk-Based Capital Comment
Date: Wednesday, February 04, 2015 11:14:39 AM

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From: Janet Thompson
Village Community Credit Union

02/04/2015

Dear Mr. Poliquin:

History has shown that the cooperative model of credit unions is a successful one. The diverse nature of our charters has meant that despite little capital—except member good will and loyalty—the forefathers and current stakeholders of the industry have built the second largest financial system in America today, serving close to 40 million households with savings of nearly \$1 trillion. The proposed rule will serve to hinder that diversity by placing credit unions into more general categories. Protect the true nature of credit unions by ending this rule so we can celebrate the charters that made this industry possible, from the \$60 billion Navy FCU to any of the \$1-5 million “family” credit unions. From the farming communities of South Dakota serving family farms with loans to the taxi drivers from NYC to San Francisco. From the raw recruit in San Diego to the forward deployed military professional in Diego Garcia, Korea, or Afghanistan. From the auto worker in Detroit or Tennessee to the high tech communities of Silicon Valley.

I believe the revised RBC rule penalizes credit unions for specific activities such as real estate lending, member business lending, and credit unions chartered to assist the un-bankable by placing a capital tax on the resulting assets of low income or poor credit lending. We believe the end result will be thousands of homogenous balance sheets in 2025 that you can easily understand from a supervisory perspective. However, this current risk posture of the NCUA cannot fail but to lead credit unions to shy away from diversity or cooperative reason for the charter and field of membership. The end result of this rule will ultimately force credit unions into potential areas of investment and lending that the credit union lacks experience with or create industry wide concentrations that could be impacted by similar economic variables. In and of itself, this rule creates more risk than it proposes to control.

When CUs are engaged in a daily, hand-to-hand struggle to help folks improve their lives, to encourage their hopes, to educate their kids, and to find a way to stretch shrinking paychecks to the end of the month: then yes, I get angry and incensed by silly people, sheltered from accountability and the hard realities of this desperate economic struggle who recklessly and insensibly make our tasks unnecessarily more difficult. RBC needs to go.



Janet Thompson
Village Community Credit Union