

Regulatory Comments

From: James D Holt <no-reply@cuanswers.com>
Sent: Monday, March 09, 2015 1:17 PM
To: _Regulatory Comments
Subject: Risk-Based Capital Comment

To: Regulatory Comments
From: James D Holt
Mikd American Credit Union

03/09/2015

Dear Mr. Poliquin:

The NCUA cannot just “piggyback” on to the FDIC unless they have the authority from Congress to do so. The plain language of the statute contradicts the NCUA’s interpretation. The clear intent of Congress was to create a separate system for our industry, and the NCUA must operate within those confines.

Our credit union board and management team are making numerous decisions about the composition of our balance sheet and capital adequacy based on the needs of our unique membership and local community. These factors do not just take into consideration the asset type, but include the reasons for our charter to begin with, corresponding funding from liabilities, and unique economic needs of the communities they serve. These thousands of local decisions are driven by diverse business priorities, pricing and growth objectives as well as responses to unique local needs. We believe our decisions have resulted in varied portfolio strategies which enhance the balance sheet’s overall soundness rather than a single approach nationwide to risk management. RBC2 puts that at risk.

If the intent is to create a better system, engage with the movement and the public and change the law accordingly including supplemental capital.

A handwritten signature in black ink that reads "JD Holt". The letters are cursive and somewhat stylized, with the "J" and "D" being large and prominent.

James D Holt
Mikd American Credit Union