

July 25, 2019

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

RE: Comments on Proposed Rule: RBC-Delay of Effective Date

Dear Mr. Gerald Poliquin,

**Seven Seventeen Credit Union** is writing to respond to the National Credit Union Administration's (NCUA) proposed delay of its 2015 Risk-Based Capital (RBC) Final Rule and its 2018 Supplemental Rule.

Seven Seventeen serves over 80,000 members in northeastern Ohio.

**Seven Seventeen** supports delaying the 2015 RBC Rule and its 2018 Supplemental Rule until January 1, 2022 as proposed by NCUA. As a state-chartered federally-insured credit union, we look to NCUA to promote safety and soundness as our federal insurance regulator. Since the 2015 RBC Rule was finalized, we have remained concerned with the regulatory framework and questioned the utility and value of a RBC scheme for financial cooperatives.

As noted in this rule proposal, NCUA plans to utilize the additional time provided by the delay to study and evaluate the agency's capital standards. Specifically, NCUA plans to study asset securitization, the feasibility of a leverage ratio, and subordinated debt. We believe this is prudent and necessary, as RBC was introduced in response to the 2008 financial recession which generally was not caused by the credit union industry.

Additionally, as a credit union with **1 billion in assets**, we urge NCUA to reexamine the threshold of a complex credit union. In its 2018 Supplemental Rule, NCUA increased the asset threshold of what is considered a complex credit union from \$100 million in assets to \$500 million in assets. However, we suggest a much higher level (perhaps at the \$10 billion level, which has been rationalized as a differentiating threshold in other financial institution regulatory settings).

We appreciate the opportunity to engage with NCUA and provide comments on delaying the 2015 RBC Rule and its 2018 Supplemental Rule. We urge NCUA to continue to study the effectiveness and functionality of the rule. If you have further questions or would like to discuss **Seven Seventeen's** comments please reach out to us at **330-372-8121**.

Respectfully,

Sincerely,

William Fulk  
CLO  
Seven Seventeen CU Inc

cc: CCUL