



Office of the Board

May 13, 2014

Mr. Dan Berger
President and CEO
National Association of Federal Credit Unions
3138 10th Street North
Arlington, VA 22201-2149

Mr. Bill Cheney
President and CEO
Credit Union National Association
601 Pennsylvania Ave, NW, Suite 600
Washington, DC 20004-2601

Dear Mr. Berger and Mr. Cheney:

I am in receipt of your April 17, 2014 letter to Chairman Matz, myself and Board Member Metsger requesting an additional 90 days to comment on the agency's proposed rule regarding risk-based capital that was published in the Federal Register on February 27, 2014.

Credit unions and interested individuals have until May 28, 2014 to comment on the proposed rule. The comment period will have been one of the longest in the history of the rule making process. However, I agree that "the risk-based capital proposal is one of the most significant that credit unions will face this year and likely for years to come." Furthermore, I believe that it is important for the NCUA Board to take whatever time is necessary to hear the comments of everyone impacted by the rule, and review all comments and suggestions to make the rule more precise and useful as a supervisory as well as a safety and soundness tool for both the credit union industry and the NCUA.

I am confident that, when the NCUA finalizes the risk-based capital rule, it will include significant changes from what has been proposed, and will incorporate the suggestions of your trade associations and credit unions across the country.

I am a firm believer in taking the time to get a rule right. During the corporate crisis, quick decisions were necessary. We did not have the luxury of time. Fortunately, we are not in a crisis mode and should take this opportunity to proceed with all appropriate care and precision. The NCUA Board can afford to take the time to get it right.

The deadline for comments was established by the full NCUA Board when the proposed rule was issued for comment on January 23, 2014. The importance of this rule's subject matter, in concert with the principles of due process, warrants consideration for an extension of time. This should properly be done before the full Board, at an open meeting, with each Board Member casting their vote for or against.

Accordingly, if the issue is brought before the NCUA Board for a vote, I would support an extension of the comment period.

Mr. Dan Berger and Mr. Bill Cheney
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Sincerely,

A handwritten signature in black ink, reading "Michael E. Fryzel". The signature is written in a cursive style with a large, sweeping initial "M".

Michael E. Fryzel
Board Member

cc: The Honorable Debbie Matz, NCUA Chairman
The Honorable Rick Metsger, NCUA Board Member