

From: Charlie O'Brien
To: [Comments](#)
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I am writing to respond to the request from regulators for feedback from bankers on the current CAMELS rating system.

Specific thoughts on the system include:

- Our management team is generally supportive of the current ratings system and we strive to manage our bank in a safe and sound manner according to these guidelines. We find the CAMELS system generally logical and supportive of operating in a safe and sound manner.
- One enhancement for regulators to discuss and consider would be to add another ratings category that assesses risks associated with Information Technology and Cyber risk. This has become such a major risk that perhaps it is deserving of its own category. The new system could be ICAMELS with "I" being an assessment of IT risks. Whenever our Board of Trustees asks 'what keeps the CEO up at night' the answer is always tied to cyber risks.
- As regulators seek a more standardized, uniform application of the CAMELS system across different charters our management team sees major discrepancies in sound banking practices between banks versus those used as credit unions. It appears to bankers that major differences exist with how problem loans are handled by regulators which creates an unlevel playing field. We believe that all banks and all credit unions should use an identical CAMELS ratings system. Plus we feel that credit unions should also have identical reporting requirements using the CALL report.

Thank you for asking for feedback.

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Thank you. ***