



August 28, 2017

Mr. Gerald Poliquin
Secretary of the Board
NCUA
1775 Duke Street
Alexandria, VA 22314-3428

Dear Mr. Poliquin:

On behalf of Tarrant County's Credit Union, I am writing to you regarding the National Credit Union Administration's proposal to close the Temporary Corporate Credit Union Stabilization Fund and raise the National Credit Union Share Insurance Fund's Normal Operating Level (NOL) to 1.39%.

Tarrant County's Credit Union currently has \$85m in assets, 4 locations and serves 10,500 members.

While I support the NCUA closing the Temporary Corporate Credit Union Stabilization Fund, transferring the funds to the NCUSIF, proceeding with equity distribution and returning funds to credit unions, I am opposed to the NCUA's proposal to increase the Normal Operating Level to 1.39%.

As a financial cooperative, we supported the original decision for assessments even though it certainly made running and growing a small credit union more challenging. At this time, we would appreciate an equity distribution that would improve our ability to offer additional products and services, attract new members and, most importantly, grow, which was impeded at the time we were required to pay these assessments.

My concern regarding increasing the normal operating level to 1.39% is two-fold: 1) I don't believe the increase as a means to weather future economic downturns is necessary. The current 1.30% was sufficient during the last economic crisis and, with the changes to laws and Corporate Credit Union regulations, is not likely to occur again. Contingency planning for contingency's sake is not prudent. The increase appears to be an overreach by the NCUA and one that would further penalize credit unions and their members. In addition, I am troubled

with the notion that credit unions would have no assurance that the NCUA Board would ever return the NOL to 1.3%, even after the NGN program ends in 2021, and 2) The increase to 1.39% would decrease the amount refunded to credit unions. Credit Unions have already paid for the financial crisis and are entitled to a full rebate. Small credit unions, in particular, could certainly benefit from a larger, not smaller, refund in the future.

As you contemplate the above mentioned issues, I would ask that you please take into consideration the impact on small credit unions that do not have the economies of scale to support an increase to the NOL and the negative impact such an increase associated with future NCUA assessments will have.

I sincerely appreciate your time and consideration in this matter.

Regards,

A handwritten signature in black ink that reads "Lily Newfarmer". The signature is written in a cursive, flowing style.

Lily Newfarmer
President & CEO
Tarrant County's Credit Union