inspirus Credit Union

September 5, 2017

Via Email to: Regcomment@NCUA.GOV

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

Ref.: National Credit Union Administration 12 CFR Part 741 RIN 3133-AE77 Requirements for Insurance and National Credit Union Share Insurance Fund (NCUSIF) Equity Distributions.

Dear Mr. Poliquim,

We are writing on behalf of Inspirus Credit Union, Board of Directors and over 80,000 members who are primarily education employees and their related families residing in the state of Washington. Over the years, despite the additional costs associated with the Temporary Corporate Credit Stabilization Fund (TCCUSF) and share insurance premium to replenish the NCUSIF, Inspirus Credit Union has provided well-priced financial products and services to our members that help to improve their financial health. In addition, as part our credit union passion for education, the Board of Directors and Management have managed to giveback 5% of the net income to worthy educational initiatives while ensuring that the organization remained well capitalized (9.77% as of June 30, 2017). Therefore, since providing reasonably priced products and services to our members, while giving back to education, is paramount for Inspirus Credit Union, we appreciate the opportunity to provide comments on the aforementioned proposals that, combined, have cost our members over $5.8 Million since the fund was created in 2009.

Whereas Inspirus Credit Union approves closing the TCCUSF by September 30 in order to provide a rebate to insured credit unions in 2018 rather than 2021 and applauds NCUA statement on refunding credit unions based on a last in first out method, we disagree with the proposal to temporarily increase the Normal Operating Level (NOL) from 1.30 percent to 1.39 percent. Increasing the NOL by 9 basis points would drastically reduce the rebate by close to 50% and it is not the best solution for our members. Inspirus Credit Union was not part of the reason for what occurred during the recession and very much appreciates having the rebate funds to continue providing products and service our member deserve. We disagree with the proposal to hold 4 basis points to cover inherent risks associated with NCUA Guaranteed Notes not performing in an adverse economy and 5 basis points to cover losses and rapid share growth that could come to fruition in an adverse economy. We have learned from NCUA not to over fund the credit union loss provision and we believe NCUA can take a lesson from itself in this aspect. In our opinion, the professionals responsible to manage and make investment decisions on behalf of the NCUSIF should had taken into consideration hedging risks associated with upcoming adverse economies. Furthermore, Inspirus Credit Union agrees with NCUA's proposal to calculate a federally insured credit union's share of NCUISF equity distribution using the average of insured share balances over four quarter-end and to prohibit NCUISF equity distributions to insured credit unions that terminate federal share insurance coverage and/ or on the date the insured credit union enters liquidation. In summary, Inspirus Credit Union strongly believes receiving a full rebate (members' funds) the soonest possible, and paying an assessment in the event of a future recession when it happens.

Again, we appreciate and thank you for the opportunity to comment on these proposed regulations. Should you there be any questions or need for clarification, please do not hesitate to contact us at alex@inspiruscu.org (206) 628-4010.

Sincerely,

Alex Mendes
Chief Financial Officer

Scott Adkins
Chief Executive Officer