



August 30, 2017

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

Subject: Comments on Requirements for Insurance; National Credit Union Share Insurance Fund Equity Distributions

Dear Mr. Poliquin:

Baxter Credit Union (BCU) appreciates the opportunity to comment on the National Credit Union Administration's (NCUA) proposal regarding National Credit Union Share Insurance Fund (NCUSIF) equity distributions. BCU is a state chartered credit union with \$2.8 billion in assets.

We support calculating a federally insured credit union's (FICU) share of NCUSIF equity distributions using the average of insured shares over four quarter-ends, rather than using the balances from only year-end. This will take into account seasonal patterns in share balances. Four quarter-ends should be a sufficient time period.

We agree that any NCUSIF equity distribution related to the Corporate System Resolution Program should first go towards repaying those FICUs that paid special premiums, generally referred to as corporate assessments, rather than taking the form of a general proportionate distribution to current FICUs.

We agree with the proposal to use the Last-In First-Out (LIFO), rather than First-In First-Out (FIFO), method for calculating equity distributions.

We agree with the proposal to prohibit NCUSIF equity distributions to credit unions that terminate federal share insurance coverage and to terminate federal share insurance coverage for liquidating credit unions on the date the insured credit union enters liquidation.

Thank you for the opportunity to comment on this proposal.

Please feel free to contact me with any questions or comments regarding our response.

Best regards,

C.J. Presto
Senior Vice President and CFO
Baxter Credit Union