



August 31, 2017

Gerard Poliquin, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314

RE: Proposed Rule: Requirements for Insurance; National Credit Union Share Insurance Fund Equity Distributions (12CFR Part 741)

On behalf of Horizon Credit Union, we thank you for the opportunity to provide comment on the proposed rule for the National Credit Union Share Insurance Fund (NCUSIF) Equity Distributions. First of all, we agree with the proposal to close the temporary Stabilization Fund and consolidate this fund into the NCUSIF effective September 30th, 2017. As you have projected, this will raise the fund level to approximately 1.47%. We expect this will allow for a rebate in 2018.

We agree with temporarily raising the Normal Operating Level (NOL) to 1.34%. As you have expressed, this would cover the risks you have identified in combining the funds. This temporary increase should only be used to offset exposure from the Stabilization Fund. This is consistent with the original intent of the assessments. These assessments originally reduced capital and should be restored to the greatest extent possible. Credit Unions should have the use of this capital to leverage for the benefit of their members. Any other use of these funds or change in operating fund level should be considered within a separate proposal with an appropriate comment period.

We believe the funds to be rebated should be returned in direct proportion to what the Credit Union originally contributed to the Stabilization Fund. Recognizing that many mergers have occurred since creation of the Fund, any rebates due to those merged Credit Unions should be distributed to the continuing Credit Unions.

Thank you for your thoughtful consideration of this important topic. We appreciate the opportunity to engage and would welcome further dialogue.

Sincerely,

A handwritten signature in blue ink that reads "Mark D. Lodine".

Mark D. Lodine
Board of Directors
Chairman, Governmental Affairs

A handwritten signature in blue ink that reads "Steve Sharon".

Steve Sharon
Chairman, Board of Directors

A handwritten signature in blue ink that reads "Jeff Adams".

Jeff Adams
President/CEO