



**KEESLER FEDERAL
CREDIT UNION**

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August 31, 2017

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

Re: Comments on the Proposal to Close the Stabilization Fund and Increase the NCUSIF Normal Operating Level.

Mr. Poliquin,

Keesler Federal Credit Union (Keesler Federal) is a \$2.5 billion dollar, federally chartered credit union, representing over 206,000 members. We offer a wide variety of products and services to underserved and low income members.

Keesler Federal appreciates the opportunity to comment on the NCUA's proposal to close the Temporary Corporate Credit Union Stabilization Fund and raise the NCUSIF's normal operating level (NOL) to 1.39%. While Keesler Federal has always kept the closest possible rapport with the NCUA, we must question the necessity of this proposal.

We support the rapid return of refunds back to the natural person credit unions that were able to rescue the system from failure. However, the NCUA proposes to close the Stabilization Fund, while simultaneously raising the NCUSIF's NOL to 1.39%. This could potentially slow the return of funds and reduce any rebate that credit unions might receive by up to 60%. Given the rising cost of compliance within an ever changing regulatory environment, increased competition, upward trend of fraud, and heightened information security; credit unions will certainly be adversely affected by diverting or delaying further investment in infrastructure.

The NCUSIF has weathered economic downturns since the Great Depression. There does not appear on the horizon, any crisis so critical that a 9 basis point increase in the NOL would be necessary. Additionally, legal and regulatory changes governing Corporate Credit Unions would make the recurrence of another, similar crisis unlikely.

Also, there is no language in the proposal to ensure a return to the 1.3% level at any future date. This lack of assurance is of great concern.

In conclusion, please consider that by raising the financial burden on financial cooperatives, you are in fact punishing the individual members that depend on us the most. Thank you for your kind attention.

Most sincerely,



Devon Ballard

Vice President Enterprise Risk Management