



August 31, 2017

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

Comments on: Closing the Temporary Corporate Credit Union Stabilization Fund and Setting the Share Insurance Fund Normal Operating Level

I am writing on behalf of Lake Trust Credit Union, which serves 35 counties in Michigan, and has 178,000 Members and \$1.8 billion in assets. Additionally Lake Trust Credit Union is a newly designated Community Development Financial Institution, committed to positively impacting the communities we serve. Lake Trust Credit Union appreciates the opportunity to provide feedback on the proposed plans related to the Temporary Corporate Credit Union Stabilization Fund (TCCUSF) and the Share Insurance Fund Normal Operating Level increase.

While we support NCUA providing rebates to credit unions as soon as possible, we are concerned with NCUA's proposed approach. Specifically, increasing the National Credit Union Share Insurance Fund's (NCUSIF) normal operating level (NOL) to 1.39%. This increase will divert millions of dollars that can be value returned directly to credit union members and their communities. The current NOL of 1.20% - 1.30% has been and continues to be sufficient to weather economic downturns. The increase to 1.39% seems to build a buffer for projected future possible events. If and only when necessary should credit unions pay NCUSIF premiums in the event of an unsustainable NOL level below 1.20% that results from actual events.

Lake Trust Credit Union paid approximately \$9 million in NCUSIF and TCCUSF premiums since 2009 and represents a significant amount of capital we have not been able to deploy to benefit our members and communities. In determining any rebate amount calculation we urge you to take special attention to methodology in relation to merger credit unions. Insured shares of all charter credit unions, including merger credit unions, which contributed to TCCUSF should receive rebates and in our case this would include based on insured shares of Detroit Edison Credit Union and NuUnion Credit Union.

The merging of the TCCUSF with NCUSIF bears further exploration and is supportable if the only way to



return excess capital back to the credit unions. Regardless TCCUSF should continue to be tracked and reported separately from NCUSIF assets. Any excess assets related to the TCCUSF resulting in special refunds should be paid to the credit unions that contributed to the TCCUSF in separate transactions and not melded with any current or future refunds/premiums from the NCUSIF.

Lake Trust thanks you for the opportunity to comment on the plan to close the Temporary Corporate Credit Union Stabilization Fund and Setting the Share Insurance Fund Normal Operating Level. We strongly urge NCUA to review and modify the proposed plans to ensure an implemented plan is fair and equitable to all credit unions, regardless of their asset size.

A handwritten signature in black ink, appearing to read "David Snodgrass", with a long horizontal flourish extending to the right.

David Snodgrass
President and CEO