August 31, 2017

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

Ref: TCCUSF Fund Closure

Dear Mr. Poliquin,

I am writing on behalf of Educational Community Credit Union located in Southwest Missouri with offices in Springfield, Ozark, and Branson. We are small by most terms today with 8,500 members and $60 million in assets. Our membership includes professors/teachers, administrators, maintenance and alumni from Missouri State University, Drury University, College of the Ozarks, Ozark Technology College, and elementary and secondary school employees living within the surrounding counties. We attempt to serve their financial needs and small credit unions like us absolutely need the entire Corporate Credit Union Network to accomplish that task, but it still remains a challenge.

Sadly NCUA's extreme actions against the Corporate Credit Union Network and their heavy handed regulations/policies since 2008 have negatively affected all mid-size and smaller credit unions. I can only assume that was NCUA's intent. The question becomes is the NCUSIF fund really protecting credit unions or are credit union's just in business to protect the insurance fund?

I applaud the recent action you announced in the NCUA CU Express, "Board Proposes Closing Stabilization Fund and Providing a Distribution in 2018". However, your proposed solution is deceptive and reflects the fact that once a governmental agency receives funds they never wish to release those funds once their stated goal(s) is accomplished.

Comment #1: I feel strongly and recommend that NCUA make all refunds directly proportionately to the contribution that each currently operating credit union has paid to the TCCUSF fund. This recommendation would exclude any refund(s) to any liquidated or merged credit unions. Surviving credit unions should not reap more benefits as a result of the merger.

ECCU has paid the following to the NCUA since 2009:

2010	$ 92,125.29
2011	$105,078.12
2012	$ 42,422.36
2013	$ 38,901.35
Total	$275,527.12

Comment #2: I feel strongly and recommend that the TCCUSF fund should not be merged into the NCUSIF fund. The TCCUSF should remain a stand alone fund and all distributions made to currently operating credit unions should come directly from the TCCUSF fund until it is depleted in 2021. Thereby giving all credit unions the perfect transparency they deserve and eliminate any perceived regulatory deception or manipulation.

Comment #3: I feel strongly and recommend that the NCUSIF fund maximum equity ratio remain at 1.30%. I object to your current pre-collection efforts by raising the fund to 1.39%. Historically the 1.30% has proven to be adequate against several prior recessions and the world-wide recession of 2008. Making a 2018 distribution from the TCCUSF to currently operating credit union has the same effect as increasing or strengthening the fund, by strengthen the credit union that NCUSIF insures.

Additional note of interest is an NAFCU article dated 2/21/14 entitled, "NCUA: Fewer Troubled CUs, Lower Loss Expectations" pointed out an interesting fact. Last paragraph stated; "The fund (NCUSIF) distributed $95.3 million – the amount that took the fund over 1.3 percent of insured shares, its statutory maximum - to the Temporary Corporate Credit Union Share Insurance Fund December 31, 2013". That is monies that would have been distributed to currently operating credit unions. If indeed a future assessment is needed the NCUA has the clear governmental authority to assess and collect it.

Personal Note: The consequences of NCUA's actions are easy to see with many smaller sized credit unions being shut down. Yes most were merged so that members are served, but the credit union motto of people helping people through financial education has not survived regulations. Regulators are pushing Peer Group comparisons, marginal loans (payday lending) and higher fees to achieve 11% or greater reserve ratios. It is truly a disservice to the original intent of the credit union movement that featured smaller more diverse credit unions offering personalized services and financial education.

Summary: Do what is right and make a clear/clean distribution of monies from the TCCUSF funds to currently operating credit union in 2018 and beyond (through 2021) if necessary. I for one am very upset and disgusted with this latest ploy and I am sure many credit unions likewise are tired of being treated like step-children with NCUA holding the purse strings.

Sincerely,

Steve Wansing, President
Educational Community Credit Union

Cc ECCU Board