



September 5, 2017

Gerard Poliquin  
Secretary to the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314-3428  
Unity Catholic Federal Credit Union

**Via: Electronic Mail**  
regcomments@NCUA.gov

Charter: 4966

Dear Mr. Poliquin:

**Comment Re: Request for Public Comment Regarding Stabilization Fund Closure.**

On behalf of Unity Catholic Federal Credit Union (UCFCU), we are writing in regard to the recent proposal to close the temporary corporate credit union stabilization fund (stabilization fund) ahead of schedule and to set the Normal Operating Level (NOL) of the National Credit Union Share Insurance Fund (NCUSIF). We applaud National Credit Union Administration's (NCUA) willingness to close the stabilization fund now that its effective purpose has concluded.

On behalf of our 10,395 members, we appreciate the efforts for returning the funds as quickly as possible that credit unions paid to support the stabilization of the industry. We do have concerns regarding other aspects of the proposal.

We see no reason to increase the NOL to 1.39% as we believe that the current elevated rate of 1.30% should be sufficient to withstand a moderate recession and would hope that the rate could be lowered as the exposure to legacy assets continues to decrease. Returning the full amount of the *temporary* fund isn't just the right thing to do, it is also the proper action to keep faith with the credit union community. Funds taken for one reason should not be re-purposed for other ends.

We agree with our League President, Paul Mercer, in his comment letter that "credit unions should not have to prepay for NCUSIF's anticipated lower earnings by foregoing refunds from the merger of the stabilization fund and NCUSIF."

We also believe the merger can be accounted for using fund accounting principles that would allow the assets and liabilities to be recorded in such a way that would provide visibility to credit unions and would prevent them from being comingled with the other accounts of the NCUSIF. This would clearly keep the spirit of why the *temporary* fund was established as the intent was that it would be temporary and not an excuse to transform it into a *permanent* fund.

We welcome the opportunity to continue the dialogue so that credit unions can receive an equity distribution resulting from their overpayment to the stabilization fund.

Sincerely,



Michael P. Stanko  
Board Chair  
Unity Catholic Federal Credit Union



Brian M. McCue  
Chief Executive Officer  
Unity Catholic Federal Credit Union

CC: Paul Mercer, Ohio Credit Union League