



June 30, 2008

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

Dear Secretary Rupp:

Please accept this communication as Community Business Lenders' comments on the NCUA's proposed revisions to the CUSO regulations, NCUA Rules and Regulations Part 712. Specifically, Community Business Lenders ("CBL") is commenting on the portion of the proposal that would amend subpart B of NCUA Part 741 to add a new section specifying that federally insured, state-chartered credit unions must adhere to the requirements in §712.4. As you're aware, this section outlines what credit unions and those CUSOs in which they invest must do in order to maintain separate corporate identities, including a provision requiring attorneys' opinions demonstrating corporate separateness.

Community Business Lenders, LLC, an Iowa limited liability company, is jointly owned by the Iowa Credit Union League (54%) and two state-chartered, federally insured Iowa credit unions, the Community Choice Credit Union, Johnston, IA (23%) and the MEMBERS 1st Community Credit Union, Marshalltown, IA (23%). CBL was formed in January 2005 in accordance with the laws of the State of Iowa, Iowa Code Chapter 490A. Articles of Organization were filed with the Secretary of State of Iowa on February 1, 2005, with the stated purpose of engaging in any lawful business authorized by the laws of the State of Iowa and any other state in which CBL does business.

CBL has underwritten and serviced member business loans for its credit union clients for over three years. Currently, sixty-four credit unions have contracted with CBL through participation agreements to provide member business lending servicing for their credit union.

CBL has its own board of directors that is completely separate from the boards of the investing credit unions. Furthermore, CBL does not share office space or employees with either of the investing credit unions. CBL has six full-time employees, including Mr. Mark Kilian, the Chief Executive Officer. Mr. Kilian oversees the commercial lending operations and has been employed with CBL since it began operations in 2005.

CBL is subject to direct examination by the Iowa Division of Credit Unions (“Division”). The authority for the Division’s ability to examine CBL comes from Iowa Code § 533.113(c), which states that the Division may “make or cause to be made an examination of any corporation or credit union service organization in which a state credit union owns shares or has made an investment.”

CBL has undergone one examination with the Division with the report dated October 25, 2007. The issue of corporate separateness between CBL and its investing credit unions has never arisen during a Division examination.

For the aforementioned reasons, we believe that the portion of the proposed rule that would require investing credit unions to obtain attorneys’ opinions demonstrating corporate separateness would have an adverse affect on CBL’s investing credit unions, Community Choice Credit Union and MEMBERS 1st Community Credit Union. CBL and its investing credit unions have a clear track record of maintaining corporate separateness and to require such attorneys’ opinions would be to subject these entities to an unnecessary expense. Therefore, we would request that an exemption be carved out for those state-chartered credit unions investing in CUSOs that are already subject to examination.

I would be happy to assist you with any questions that you may have with relation to this comment letter. Should you need to contact me, I can be reached at (515) 221-6111 or via email at markk@cblenders.com. I look forward to your reply.

Yours Truly,

A handwritten signature in black ink, appearing to read "Mark Kilian", written in a cursive style.

Mark Kilian
CEO
Community Business Lenders