

VIA EMAIL TO: regcomments@ncua.gov

August 31, 2015

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

RE: Member Business Loans; Commercial Lending (12 CFR Part 723, RIN 3133-AE37)

Dear Mr. Poliquin,

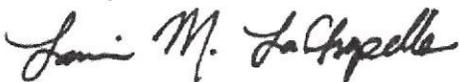
Thank you for the opportunity to comment on the National Credit Union Administration's (NCUA) Member Business Loans; Commercial Lending Proposed Rule (Proposed Rule). I commend the NCUA for proposing to amend its member business loans (MBL) rule to provide federally insured credit unions with greater flexibility in providing commercial and business loans to serve their members. The following are my comments to the MBL rule as proposed.

The Proposed Rule states the loan-to-value ratio's denominator "is the market value for collateral held longer than 12 months, and the lesser of the purchase price and the market value for collateral held 12 months or less." This definition of the loan-to-value ratio contradicts the definition of fair value measurements established by the Financial Accounting Standard Board (Topic 820). The NCUA should avoid inconsistency with financial and regulatory reporting guidance when defining the loan-to-value ratio. The 12 months requirement should be eliminated and the Financial Accounting Standard Board's guidance on fair value measurements should be considered in the final rule.

Finally, the Proposed Rule states "that commercial loans must be appropriately collateralized." This proposed guidance does not provide greater flexibility to credit unions. The NCUA should change this language to allow credit unions the ability to offer unsecured commercial loans to the extent such loans align to the credit union's policies with prudent commercial lending practices.

In closing, thank you once again for this opportunity to comment on the Member Business Loans; Commercial Lending Proposed Rule. I look forward to additional communication from the NCUA on providing federally insured credit unions with greater flexibility in providing commercial and business loans.

Sincerely,



Laurie M. LaChapelle