

August 26, 2015

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

RE: Comments on Proposed Rulemaking for Part 723; RIN 3133-AE37

Dear Gerard Poliquin:

I am writing on behalf of Desco Federal Credit Union, a federally chartered community credit union which serves several counties in south-central Ohio, northern Kentucky and West Virginia. We currently have a membership of approximately 25,000 members with \$274 million in assets. Desco Federal Credit Union appreciates the opportunity to comment on our support of the proposed amendments to the Member Business Lending (MBL) regulations.

The proposed amendments to eliminate burdensome waivers, adjustments to the MBL calculation, Loan-to-Value requirements, and allowing 1-4 family residences to not be considered a MBL (along with loan participations) are all positive steps that will enable credit unions to help small business owners with their financing needs. All of the proposed changes will not only modernize and provide flexibility in meeting the needs of small business owners, but it will also continue a major goal of credit unions which is to provide financial services to the underserved of our communities. The Member Business Loans completed by credit unions enable these small business owners to start a business, grow their existing business and provide meaningful employment in our communities.

Credit Unions are a valuable commodity that the citizens of our country and the membership that they serve depend upon for their financial needs. Desco Federal Credit Union has been involved with Member Business Lending now for fifteen (15) years. We have 385 Member Business Loans with an aggregate outstanding balance over \$37 million. Our average Member Business Loan is approximately \$150,000 and it has been our experience that many of our borrowers are underserved by the local, regional and national banking institutions. It appears that if the business loan amount is not for \$1 million or more, these institutions do not want to spend the time underwriting and servicing the borrower's needs.

Our management and Board of Directors are committed to maintaining a high standard of oversight in the administration of our business lending program. It is operated in a safe and sound manner with policies and procedures to monitor areas of risk (i.e.: interest rate, loan concentrations, credit risk, etc.).

Thank you for the opportunity to express our support and to comment on the proposed rule.

Sincerely,

R. Lee Powell, Jr., CEO
Desco Federal Credit Union