

August 10, 2015

National Credit Union Administration
Gerald Poliquin, Secretary of the Board
1775 Duke Street
Alexandria, VA 22314-3428

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

Dear Gerald Poliquin,

I am writing on behalf of Mazuma, which serves Federal Government Employees in Kansas City, as well as all communities in Jackson, Cass and Clay Counties in Missouri, and Johnson and Wyandotte Counties in Kansas. We have 56,000 Members and \$550 million in assets. Mazuma appreciates the opportunity to provide the comments to the National Credit Union Administration (NCUA) on its proposed amendments to the member business lending regulation. I value that NCUA is here to make the best possible regulation for the credit union industry and I applaud your efforts to do so.

I truly believe that a principle-based rule is much more flexible than a prescriptive rule, so long as examiners, administrators and credit union executives are aligned in the common meanings and definitions. When this alignment doesn't exist, the absence of specificity could cause escalating examination issues and conflicts between examiners and executives. Allowing credit unions to serve their members in a safe and sound way is important to the continued growth and prosperity of the industry. Despite the 'noise' you hear from the banking industry, organizations like Mazuma have well-trained staff that understand the requirements of business lending.

I believe the adjustments in the calculations of loans could substantially help our communities, Members and organizations. There are so many credit unions who want to offer business loans, but can't because of the burdensome limits arbitrarily placed on them. The calculation adjustments will undoubtedly expand their reach, which ultimately helps the American consumer.

I think the proposed rule provides sufficient clarity on policy and procedure requirements, so long as the NCUA staff, state regulatory bodies and credit union management are all aligned in the interpretation. While it will be impossible to ensure 100% alignment, the success to which NCUA is successful in achieving it, will be vital.

Speaking to Mazuma's individual examiner ability at this moment may be a little premature. However, I do think that given the proper tools and training, examiners should be able to utilize a principle-based rule.

The elimination of the waiver process is a huge help to our organization. Mazuma does sound business deals, but the current regulations do not allow for market or competitive pressures. Everything has to fit in a tiny box in order to avoid the current waiver rule. This elimination will help tremendously.

Mazuma has a strong business/commercial lending program and it's growing due to the expertise we have recently hired. I am excited about the doors that will open due to the modernization of credit union business lending. The distinction between commercial and business lending is a huge help in that regard.

Thank you to the NCUA Board for modernizing this rule. I challenge the NCUA Board to ensure alignment with all stakeholders prior to the implementation of this rule in order to avoid unnecessary confrontations as a result of misinterpretations, or different interpretations, of this principle-based rule.

Thank you for the opportunity to comment on the this Proposed Rule and for considering our views on the proposed MBL rule.

Sincerely,

Brandon Michaels
President/CEO
Mazuma CU

cc: CUNA, CCUL