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To: [Regulatory Comments](#)
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Subject: Jeffery Savage - Comments on Proposed Rulemaking for Member Business Loans, Part 723
Date: Monday, August 10, 2015 3:49:55 PM

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

Dear Mr. Poliquin:

Having learned of the recent proposal of the NCUA to dramatically expand credit union business lending and to reduce its regulatory oversight of certain concentrations, I am greatly concerned. In taking this approach, the agency is both dramatically increasing safety and soundness risk and using a loophole that is clearly contrary to the congressional intent of limiting business lending by credit unions.

Credit unions have not demonstrated a competency in this lending area, nor has the NCUA established that it is well prepared to supervise these activities. In fact, the NCUA has stated that they do not intend to prudently supervise certain business lending activities. Also being proposed are eliminating the need for personal guarantees and reducing loan-to-value and collateral requirements. Particularly given this, I am struck of the intent to also increase permissible business lending. I am aware of circumstances in the State of New Hampshire where the current business lending underwriting standards used by credit unions is significantly riskier than that we would utilize and that regulators would reasonably require of banks.

Our bank, and other community banks like ours, are fully capable of addressing the business lending needs of our area businesses, and we do so every day. Congress has made it clear that credit unions should be focused on consumer lending, not commercial lending.

For these reasons, this rulemaking should not be implemented and the proposed changes should not occur.

Respectfully,

Jeffery B. Savage
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