

August 18, 2015

National Credit Union Administration  
1775 Duke St.  
Board Secretary  
Alexandria, VA 22314

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

Dear Gerard Poliquin,

Introductory paragraph:

I am writing on behalf of Oregonians Credit Union (OCU), which serves a large number of SEGs as well as some community areas throughout Oregon. We have 20,000 members and \$300 million in assets. Oregonians CU appreciates the opportunity to provide the comments to the National Credit Union Administration (NCUA) on its proposed amendments to the member business lending regulation.

OCU has been granting MBLs for several years and currently has about \$15 million outstanding. These loans have proven to cause few delinquency issues and losses have been minimal while we have been able to support small business in our communities and thus support the economy. Many of the loans we granted would not have been granted with such favorable terms at other lenders.

We commend the NCUA Board on the following proposed changes:

- Allowing a 1-4 family residence to not be considered a MBL.
  
- Allowing a vehicle loan to a small business owner to be a personal loan.
  
- Allowing purchased business participations to not be counted as MBLs. Note that this change is not only important to individual CUs but to the entire industry as some CUs reach the statutory cap they can still serve member needs by selling/purchasing such loans.
  
- Allowing individual CUs to set various LTVs, limits to borrowers and unsecured loan amounts.

We believe that making these changes will allow OCU to serve more member and in the long run grant more loans to small business.

We are however concerned about the examination process for a principle-based rule as proposed. Our experience worries us that examiners will push back to a prescriptive position nullifying the intent of the Board and nullifying our ability to serve the best needs of our member-owners.

Again, thank you for the opportunity to comment on the Proposed Rule and for considering our views on the proposed MBL rule.

Sincerely,

Charles Garner  
Chief Executive Officer  
Oregonians CU

cc: CUNA, CCUL