



Sterling federal Bank

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Dean A. Ahlers
President

August 4, 2015

AUG21'15 AM 7:23 BOARD

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

Re: Comments on Proposed Rulemaking for Member Business Loans, Part 723

Dear Mr. Poliquin:

I am writing this letter in response to the NCUA's proposed rule to dramatically expand credit unions' authorities for Member Business Loans and Commercial Lending. I won't waste your time on detailed bullet points regarding the obvious safety and soundness concerns and the issue that the NCUA would be overstepping its regulatory reach by expanding business lending loopholes. I trust you will receive many detailed letters regarding those important issues.

I believe credit unions and banks both serve a valuable purpose in the communities they serve. If both organizations focus on their current mandates, they can continue to do so in a safe and sound manner.

The banks in our communities and on a national level do an outstanding job of serving our small business customers' needs. If credit unions overreach from this current mandate regarding small business lending, there will be a negative impact on our ability to serve our small business customers' needs. More competition for small business loans often times leads to aggressive pricing and loosened credit administration, which will have a negative impact on the safety and soundness for both banks and credit unions.

The loss of current and potential future business related to additional competition from credit unions will have an impact on our income and, ultimately, our ability to continue to provide the level of service we have provided to our communities since 1885.

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In summary, both banks and credit unions serve a very valuable service to our communities. Their respective charters are in place for specific reasons. Overreaching from the longstanding rules and regulations will harm both industries and as a result, cause harm to the communities we are chartered to serve. Both banks and credit unions are currently profitable and safe as a whole and serve distinctive needs in our communities.

Please consider the greater good of all involved as you move forward with these proposed changes.

Sincerely,

STERLING FEDERAL BANK, F.S.B.



Dean A. Ahlers
President & CEO

DAA:krl

cc: U.S. Representative David Loebsack
U.S. Representative Adam Kinzinger
U.S. Representative Cheri Bustos
U.S. Senator Chuck Grassley
U.S. Senator Joni Ernst
U.S. Senator Mark Kirk
U.S. Senator Richard J. Durbin