

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

Via e-mail: [regcomments@ncua.gov](mailto:regcomments@ncua.gov)

**RE: Comments on Proposed Rulemaking for Part 723**

Dear Mr. Poliquin,

It's clear from reading the comments submitted by others regarding proposed changes by NCUA to the MBL rule that a large majority of those commenting come from the banking industry.

It is worthy to note that those commenting often cite the phrase "(by expanding business lending) credit unions have strayed from their roots of serving people of modest means." What is conveniently ignored is that credit unions have always served businesses alongside their modest-means members. Serving businesses is in our DNA.

A number of comment letters also implied that credit unions are not equipped with the financial savvy needed to pass judgement on business loans. While I cannot speak for all credit unions, I can attest to the fact that my credit union was chartered in 1957, and, from day one, has been involved in business (mostly agricultural) lending. We have been successfully serving our rancher/farmers for 58 years alongside our low and moderate income members in the Dakotas.

An area of concern is the proposed removal of personal guarantees on business loans. In mitigating risk from business lending a personal guarantee has served to help tie the success of the business venture with its owner. Dakota Plains FCU intends to continue this practice and I would urge the board to revisit the removal of this tool – or provide additional guidance for the removal.

Finally, we would request that the board review the 15 year term limit on business lending. The banks we compete with offer terms of 20-30 years putting us at a competitive disadvantage. Agricultural land purchase and refinance requires terms more conducive to the cash flow of those starting out in farming/ranching.

Thank you for your consideration.

Sincerely,



Peter B. Butterfield  
President/CEO