



August 31, 2015

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

Re: Comment on Notice of Proposed Rulemaking for Part 723, Member Business Loan-
RIN 3133-AE37

Dear Mr. Poliquin:

I appreciate the opportunity to address the proposed rule changes. As I am from a credit union that was formed to make MBL's to its members, I find it interesting that we ever relegated our industry to not being able to serve our members in this capacity. It is closer to our roots than many outside of the credit union industry may understand.

I believe the changes that are included in the proposed rules are overall very good. It appears to me, that NCUA is moving toward allowing credit unions to strive to serve our members with the proposed principals based regulatory approach. I realize that we as credit unions will need to continue to enhance our documentation procedures as we move forward, but this is something that we have been doing over the last 35 years, so this should not be something new for us to deal with, but continuing in enhancing and building on processes already in place.

This proposal will allow individual credit unions to make policy that makes sense for the type and quantity of lending they provide to their members. This should be a positive trend as the rule is finalized and we become more familiar with its application.

I think there are a few questions that need to be answered. While the rules are broad and sound very good, it would be a positive to see the supervisory guidance on how the new regulations will actually be applied in the field. With this in mind, I would encourage NCUA to offer a comment period for the supervisory guidance prior to the issuance of the rule.



While a cursory reading of the definition of the difference between commercial loans and MBL loans is somewhat confusing, I think it is a good attempt to separate safety and soundness from regulatory restrictions. I would only say that it would appear to me that when these two restrictions are not consistent, it would seem there may be an error in the regulatory definition. But once again I applaud NCUA for addressing the issue.

In the proposal there is a cost for examiner training and that is good. I am sure that examiner consistency is an ongoing problem for NCUA, as it would be with any agency. I would encourage NCUA to strive to have consistency in the exam process, not only from region and area to area, but also from year to year.

I applaud NCUA with removing many of the waiver requirements. It makes sense to not require waivers for activity that is allowed by the Federal Credit Union Act. Simplicity is better and reduces overhead efficiency and costs at both the credit union level and at NCUA.

In conclusion, this is a step in a positive direction and I would only request clarification of the supervisory guidance as soon as possible.

Sincerely,

A handwritten signature in black ink that reads "Brian C. Gilbert". The signature is written in a cursive, flowing style.

Brian C Gilbert
President/CEO