

August 31, 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,

August 28, 2015

National Credit Union Administration
1775 Duke Street
Board Secretary
Alexandria, VA 22314-3428

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

Dear Mr. Poliquin,

Thank you for the opportunity to submit comments on the proposed rulemaking for Part 723. I am writing to you on behalf of a Member Business Lending Peer group comprised of credit unions located primarily in Southern California. Collectively, the group represents approximately \$11.9 billion in collective asset size and \$1.2 billion in member business/commercial Loans. The group meets on a regular basis for the purposes of having a platform for sharing ideas, knowledge, resources, and best practices.

While all the credit union participants in this letter have submitted their own letter with specific commendations, recommendations, and inquiries for further clarification, the group is in full agreement with following:

- We support the majority of the proposals, more specifically to modernize the MBL regulation from a prescriptive to a principles based approach. This would provide credit unions more flexibility to design programs reflective of Members' needs and their communities.
- We recommend an implementation of proposals sooner than 18 months.
- We support the removal of the Member Business Lending Cap of 12.25% as it is not required by the Federal Credit Union Act (FCU Act).
- We highly recommend that the Supervisory Guidance be provided to the industry for review and comment prior to the issuance of the final rule.
- We ask the NCUA to continue to enhance and develop commercial lending expertise in examiners to ensure consistency in all credit union examinations.

Once again, we appreciate the opportunity to comment on the proposed MBL rule and for considering our views. We believe making these changes will allow our respective organizations the opportunity to better serve our Members and our communities.

Sincerely,

Dexter De Mesa

VP of Commercial Lending

Credit Union of Southern California

Karen Stock

AVP, Business Lending

California Coast Credit Union

Jim Dages

VP, Commercial Lending and Business Services

Financial Partners Credit Union

Jerry Mora

Business Loan Officer

Foothill Credit Union

Michael Na

Vice President of Business Lending

Logix Federal Credit Union

Desmond Evans

Director of Commercial and Business Services

NuVision Federal Credit Union

Art Armas

Business Services Manager

Orange County's Credit Union

Kitty L. Hunter-Warrington

Vice President, Business Banking

SCE Federal Credit Union

Patty Jimenez

Vice President of Lending

Southland Credit Union

Scot Cunningham MBA, CMB

Vice President, CUSO and Corporate Affairs

Xceed Federal Credit Union

Sincerely,

Dexter De Mesa
VP of Commercial Lending
Credit Union of Southern California

cc: CUNA, CCUL