

Submitter Info.txt

Please Do Not Reply To This Email.

Public Comments on Member Business Loans; Commercial Lending: =====

Title: Member Business Loans; Commercial Lending
FR Document Number: 2015-15466
RIN: 3133-AE37
Publish Date: 7/1/2015 12:00:00 AM

Submitter Info:
First Name: John
Last Name: Reed
ZIP/Postal Code: 04444
Email Address: jreed@mainesavings.com
Organization Name: null
Comment: August 31, 2015

National Credit Union Administration
1775 Duke Street
Board Secretary
Alexandria, VA 223145

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

Dear Gerard Poliquin:

On behalf of Maine Savings Federal Credit Union and Business Lending Solutions, I would like to thank the National Credit Union Administration (NCUA) for proposing improvements to the Member Business Lending (MBL) rule. We support the new principle-based methodology and believe that the proposal will allow credit unions; more flexibility to provide business lending to members.

Maine Savings is the the second largest credit union in Maine with more than 27,000 members. Business Lending Solutions (BLS) is a CUSO providing commercial lending to credit union members throughout the State of Maine. I am the CEO of both organizations and am speaking on their behave.

I would like to note that I began my career many years ago working for a well-run commercial bank located in Maine. I received formal commercial lending and analysis training and experience and have now experienced both sides of the track, so to speak. I can tell you from my experience, our organization as well as many credit unions throughout the State, offer as much or more commercial lending experience than many banks in Maine.

Maine's economy is built on small businesses and the NCUA's MBL proposal would eliminate many of the restrictions and limitations that currently inhibit credit unions from fully serving their business members. Specifically, we support many of the waiver eliminations, the clarified categorization of nonmember participations, and the new commercial loan definition.

As mentioned above, we do support NCUA's efforts to modernize the MBL rules. I would like to comment on a few details.

Again, we support the change from the current prescriptive approach to a more principle-based methodology.

We would very much appreciate the opportunity to comment on the supervisory guidance prior to the issuance of the final rule. The absence of supervisory guidance creates an uncertainty that makes it difficult to fully assess the potential impact of the proposed rules.

We support the elimination of all prescriptive requirements necessitating waivers.

Submitter Info.txt

We highly recommend that NCUA provide consistent training and guidance to examiners as part of the implementation of this rule, since the rule will require more thorough examination of loans and policies by examiners.

We specifically support the change in the LTV requirement and particularly support the revision of junior liens in calculating this ratio.

Again, we support NCUA's efforts to modernize the MBL rule and thank you for the opportunity to comment.

Sincerely,

John Reed
President and Chief Executive Officer
Maine Savings Federal Credit Union and Business Lending Solutions

August 31, 2015

National Credit Union Administration
1775 Duke Street
Board Secretary
Alexandria, VA 223145

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

Dear Gerard Poliquin:

On behalf of Maine Savings Federal Credit Union and Business Lending Solutions, I would like to thank the National Credit Union Administration (NCUA) for proposing improvements to the Member Business Lending (MBL) rule. We support the new principle-based methodology and believe that the proposal will allow credit unions ; more flexibility to provide business lending to members.

Maine Savings is the the second largest credit union in Maine with more than 27,000 members. Business Lending Solutions (BLS) is a CUSO providing commercial lending to credit union members throughout the State of Maine. I am the CEO of both organizations and am speaking on their behave.

I would like to note that I began my career many years ago working for a well-run commercial bank located in Maine. I received formal commercial lending and analysis training and experience and have now experienced both sides of the track, so to speak. I can tell you from my experience, our organization as well as many credit unions throughout the State, offer as much or more commercial lending experience than many banks in Maine.

Maine's economy is built on small businesses and the NCUA's MBL proposal would eliminate many of the restrictions and limitations that currently inhibit credit unions from fully serving their business members. Specifically, we support many of the waiver eliminations, the clarified categorization of nonmember participations, and the new commercial loan definition.

As mentioned above, we do support NCUA's efforts to modernize the MBL rules. I would like to comment on a few details.

Again, we support the change from the current prescriptive approach to a more principle-based methodology.

We would very much appreciate the opportunity to comment on the supervisory guidance prior to the issuance of the final rule. The absence of supervisory guidance creates an uncertainty that makes it difficult to fully assess the potential impact of the proposed rules.

Submitter Info.txt

We support the elimination of all prescriptive requirements necessitating waivers.

We highly recommend that NCUA provide consistent training and guidance to examiners as part of the implementation of this rule, since the rule will require more thorough examination of loans and policies by examiners.

We specifically support the change in the LTV requirement and particularly support the revision of junior liens in calculating this ratio.

Again, we support NCUA's efforts to modernize the MBL rule and thank you for the opportunity to comment.

Sincerely,

John Reed
President and Chief Executive Officer
Maine Savings Federal Credit Union and Business Lending Solutions