The Huntington National Bank
Legal Department
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41 South High Street
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October 12, 2007

By e-mail to: regs.comments@federalreserve.gov

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Attn: Docket Number R-1286

Re: Regulation Z Open Proposed Rule
72 *Fed. Reg.* 32948 (June 14, 2007)

Dear Ms. Johnson:

This letter is submitted on behalf of The Huntington National Bank, a national banking association ("Huntington"),[1] in response to the above referenced notice of proposed rulemaking (the "Notice") with respect to the open-end disclosure provisions of Regulation Z published by the Board of Governors of the Federal Reserve System (the "Board"). Huntington appreciates the opportunity to provide the comments set forth below with respect to this Notice Supplement. We have not had the opportunity to review fully the Board's Notice, and thus our comments are limited to particular items on which we have focussed our attention.

[1] The Huntington National Bank ("Huntington Bank") is a national bank and the principal subsidiary of Huntington Bancshares Incorporated, a $54 billion regional bank holding company headquartered in Columbus, Ohio. Through its affiliated companies, Huntington Bank has more than 141 years of serving the financial needs of its customers. Huntington Bank provides innovative retail and commercial financial products and services through over 600 regional banking offices in Indiana, Kentucky, Michigan, Ohio, Pennsylvania, and West Virginia. Huntington also offers retail and commercial financial services online at huntington.com; through its technologically advanced, 24-hour telephone bank; and through its network of almost 1,400 ATMs. Selected financial service activities are also conducted in other states including: Dealer Sales offices in Arizona, Florida, Georgia, Nevada, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, and Tennessee; Private Financial and Capital Markets Group offices in Florida; and Mortgage Banking offices in Maryland and New Jersey. Huntington Bank's affiliate, Sky Insurance, Inc., offers retail and commercial insurance agency services through offices in Ohio, Pennsylvania, Michigan, Indiana, and West Virginia. International banking services are made available through the headquarters office in Columbus, a limited purpose office located in the Cayman Islands, and another located in Hong Kong. The company is located on the web at www.huntington.com.

First, with respect to minimum payment disclosures required by the amendments to the Truth in Lending Act contained in the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the "Bankruptcy Act Amendments"), we reiterate the comments contained in our comment letter to the Board dated December 16, 2005, submitted in response to Docket Number R-1217, and in particular that such disclosures should be limited to standard credit card accounts, and not be applicable to open-end accounts that have a contractual term for repayment or for which credit cards are an optional means of access rather than a standard means of access.

Second, we believe it is appropriate for the Board to eliminate the current requirement to disclose the effective or historical APR on periodic statements for all of the reasons cited by the Board at pages 32955-6 of the Notice. The alternative proposed by the Board has at least all of the problems of the current effective APR disclosure and is inconsistent with the general elimination of the "finance charge" label for fees and charges.

Third, we support the Board's proposed elimination of the "finance charge", "other charge" and "non-other charge" labels or categories for various fees and charges in account opening and periodic statement disclosures. What is important to consumers is the amount of fees and charges being imposed and how they are triggered, not whether such fees and charges are correctly labeled into artificial categories.

Fourth, for transactional fees and charges disclosed on periodic statements, we do not agree with the Board that grouping various fees and charges together by type, rather than disclosing the individual fee or charge in proximity to the transaction to which it relates, is necessarily easier for consumers to understand. When transactional fees and charges are grouped together instead of individually posted next to the transaction to which such fee or charge relates, it is more difficult for consumers to understand what transactions such fees and charges are for and whether the fees and charges are correct or not. We recommend that the Board continue to allow creditors the option to disclose transactional fees and charges individually in proximity to the transactions to which they relate.

Fifth, for the same reasons set forth in our comment letter of December 16, 2005, referenced above, it is not practical for creditors to disclose cutoff times on the periodic statement as required by this proposal. Creditors typically have several different cutoff times depending on the location at which the payment is made or the manner in which the payment is made, and it is not feasible to disclose all of that information on the periodic statement.

Sixth, we disagree with the Board's proposal to increase the change-in-terms notice period from 15 to 45 days. We believe that 30 days is a more appropriate period and is more consistent with the change-in-terms notice periods for other consumer regulations (Regulation DD, 30 days; Regulation E, 21 days).

Seventh, we strongly disagree with the Board's proposal to treat subaccounts within an open end credit plan as closed-end credit unless the amount available in the subaccount replenishes as the balance in the subaccount is paid down. Some places in the proposal indicate

that subaccounts must be treated as closed-end credit if the credit extended pursuant to the subaccount is individually approved and underwritten, but in other places the Board states that each subaccount must itself meet the self-replenishing requirement. Typically, subaccounts are established with respect to special promotions (such as special rates applicable to certain purchases) or to provide consumers with the option of separating transactions into separate subaccounts for organizational or other purposes important to the consumer. The Board's proposal on this point would effectively eliminate the option for subaccounts and special promotions, since these options are often exercised by action of the consumer without the involvement of the creditor, and under such circumstances it would not be possible for the creditor to provide closed-end credit disclosures before such subaccounts are established and used by the consumer. Furthermore, translating the open-end methods of computing finance charges and balances (for example, monthly rate on average daily balance) into the closed-end APR, amount financed, and finance charge disclosures is not consistent with how the account operates and appears to require substantial programming changes to accomplish, since closed-end disclosures are not required currently for the methods of computing finance charges, balances and the like that are typically used for open-end credit. The important requirement should be that repayment of balances in any subaccount replenishes the overall account, not that each subaccount must itself be replenishing. Additionally, while subaccounts are generally not individually approved and underwritten, particular promotions or subaccounts (for a special rate promotion, for example) could be made available based on underwriting characteristics of the consumer (credit score, for example), and under the Board's proposal, such subaccounts would be closed-end credit. These types of promotions and subaccounts on credit card accounts, home equity credit lines and other types of secured and unsecured credit lines typically offered by banks do not represent the kinds of "spurious" open-end credit which the Board is intending to address, and the Board's proposal here would effectively destroy the ability to offer accounts with these types of features and benefits which are useful and important to consumers. On page 32961 the Board gives the example that a consumer who makes two payments of $500 that reduce the outstanding balance on the line of credit should be able to obtain an additional $1,000 of credit under the plan without having a creditor separately underwrite or evaluate that additional borrowing of $1,000. In fact, that is exactly what happens in the typical bank line of credit with subaccounts because the overall line itself would in the Board's example replenish for $1,000 even though the particular subaccount for which those two payments were made would not itself replenish. We strongly recommend that the Board abandon this proposal.

Thank you for the opportunity to provide these comments.

Very truly yours,

Daniel W. Morton
Senior Vice President & Senior Counsel