

From: Founders Community FCU, Rhonda Campbell  
Subject: Reg Z - Truth in Lending

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Comments:

Good morning,

I wanted to take this opportunity to express my dazed views regarding the new non-credit card, open end lending, guidelines for a monthly statement being sent out according to the 21-day ruling.

Our credit union is less than \$5M with 95% of our membership being one company. We have a very small staff and currently only send out quarterly statements except for our share draft accounts and ACH/EFT activity accounts. This in itself has added several hours of hand printing, hand folding, hand stuffing AND hand stamping.

Being a small credit union, especially in today's economy, has been a strain in trying to keep up. Because our system is a complete manual system and everything is done by hand, we are stretched to the limit with trying to keep up with new regulations. Our IT system provider has told me that there is no way that he can have our system configured to produce these monthly statements, as required, by the August 20th date. This can be done, but at an expense not only for him to create but also added hours of work onto our employees and ultimately my bottom line to print, fold, stuff and stamp these statements.

As a non-profit credit union, we are still "required" to make a profit. However, this is becoming more and more difficult when this profit is continually reduced by added regulations.

Additionally, all of our loans are set up to be paid through payroll deduction from our members' employers. This meaning that we receive weekly or bi-weekly payments into their regular savings account that builds up to provide us with the needed funds to pay for the loan. Which is set up as an automatic withdrawal from their regular savings account on loan day. Our members like it this way. As long as they work....their loans will be paid. Sending out a monthly statement will only confuse our members when they originally thought their loans were automatically paid. Now they are getting a statement saying to pay before a particular date or receive a late fee?

I feel that these monthly statements will not only confuse our members but border on harrasement. We are going to be bombarded with calls wanting to know why their payment hasn't been made and why they are getting a warning of late fees.

We do not just change interest rates on any loans without proper notification to the membership who will be affected and therefore I feel that the 21-day statement rule for non-credit card accounts is burdensome and unnecessary.

Rhonda L Campbell  
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