

From: City County Credit Union, William Marquardt
Subject: Reg Z - Truth in Lending

Comments:

Our credit union has acted rapidly to be in compliance with the new Credit Card Act for our credit card portfolio. Our systems and monthly pay cycles allowed us to make the required modifications to meet the 21 day advanced statement mailing requirement. The 21 Day Rule imposed at the last minute and without time for comment on all open ended lending is an impossible burden not only on my credit union but my members.

My credit union and most other credit unions use Open Ended Credit Plans and fall under this new provision. We also have a long history of working with our member's pay cycles and help them budget by offering pay cycle payments on their loans. Members appreciate this and our lower delinquency compared to market is due in no small part to this member service we provide. We do not have a mechanism today that would allow us to comply with this requirement and bi-weekly or weekly statements are an unreasonable expense to place on our credit union and its members. Multiple monthly statements sent 21 days ahead of a future payment date would be confusing to members and work directly against the purpose of the regulation. Also, our credit union's loan size is smaller than the average and we do not have the margin necessary to cover this extra cost.

Please strongly consider delaying this portion of the new Credit Card Act as it relates to open ended lending programs. Our data processing system was never designed for this new requirement. We need time to find an effective way to comply with this regulation while still maintaining its spirit and intent.

William F. Marquardt
City County Credit Union