

From: John Buckley
Subject: Reg Z - Truth in Lending

Comments:

Dear Sirs,

As President of a \$60M credit union in Wichita Falls, Texas, I have devoted a lot of time and effort regarding this matter and still am not sure what we are trying to accomplish or even why this provision was added at the last minute. We have made needed changes to comply with the 21-day rule involving credit card accounts and have no problem with that action. The interim rule involving open-end lending is disastrous and will require additional planning and implementation to fully comply. We have been making open-end loans for decades which serve the needs of our membership. Open-end lending allows payments to be setup based on the member needs in conjunction with paydays and direct deposits. Bi-weekly payments benefits consumers as additional payments are made to principal reducing interest paid.

The 21-day rule subsequently harms consumers by not allowing weekly, bi-weekly or semi-monthly payments. Most ordinary consumers live within their means but also budget monthly expenses. Most of our members require payments other than monthly so partial payments can be made throughout the month instead of all at once. We are considering changing all due dates to the end of each month with our regular monthly statement serving as notice. Every due date will be the end of each month but we will be telling our members they need to make payments prior to that date if they wish to continue a payment frequency other than monthly, doesn't make much sense to me. What happens when the consumer knows a payments isn't really due and incur additional expenses and skips that payment. They now find themselves behind and incurring late fees and their credit rating suffers, Seems like we are defeating the purpose and intend of the original ruling.

Please be advised Postel Family Credit Union has been in business for 80 years and has never engaged in predatory lending practices including credit card accounts. Our mission is to serve our members by providing quality service at the best possible price. We serve all member needs the same regardless of account balance. We have been very successful for 80 years and respectfully request we continue our current business model and practice without change.

At a minimum, please use your powers to delay the implementation of the new interim rule for several months so that complex issues can be worked out. I would be more than happy to discuss this issue, my position and how it will affect my operation at any time.

Sincerely,

John Buckley