

From: Highway District 2 Credit Union, Tanya D Crpclett  
Subject: Reg Z - Truth in Lending

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Comments:

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Proposal: Regulation Z - Truth in Lending  
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Comments:

I am writing to express my concern over the August 20, 2009 compliance date for sending monthly statements 21 days before the due date of a loan payment. This regulation will levy a burden on small credit unions that will increase our operating expenses during a time when the economy is creating a terrible toll on the credit union industry. The Highway District 2 Credit Union, is a small credit union with 2 employees, 1119 members, total assets of \$7,251,997, and net income of \$34,165 as of July 31, 2009. Quarterly statements are currently sent to all members showing share and loan balances. All of our loans are multi-featured, open-ended loans. We do not issue credit cards, mortgage loans or home equity loans.

We do not charge late fees, fees for insufficient funds or implement an increase in the finance rate due to slow payment. The only time a change in interest rate occurs is when a member requests a refinance or add-on to an existing loan. At that time, new loan documentation is provided to the member that reflects any changes. Due to the potential write-off of a portion of the NCUSIF deposit and Members' Capital Share account with Southwest Corporate Federal Credit Union, any additional expense added by legislation impairs our ability to offer our members a competitive interest rate on shares and loans. I understand the need to address unscrupulous lending practices; however, I believe that some credit unions are being punished when they are not part of the problem. Please reconsider the implementation date and inclusion of open-ended loans in the interim rule changes. Thank you, Tanya Crockett Highway District 2 Credit Union.