

From: St Agnes Employees Federal Credit Union, Margaret Burdette
Subject: Reg Z - Truth in Lending

Comments:

The passage of the CARD Act is a source of great concern for our credit union and many across the country - specifically in regards to the following provision:

The requirement to mail or deliver a periodic statement 21 days before deeming a payment late for any reason, including all open end loans (credit cards, HELOC, etc)

This was added in just before the bill was passed and caught many financial institutions unaware. There was also no comment period regarding the addition of the open end periodic statement requirement.

Please consider the following points:

It is impossible to implement programming changes by the compliance date - especially for small credit unions

Credit unions routinely offer loans with payment frequencies other than monthly (weekly, biweekly, etc). It is not possible to deliver a periodic statement 21 days prior to the payment due date when the payment is due every 7 - 14 days.

Even with monthly payments, we would need to process print and mail statements on a daily basis to deliver a periodic statement 21 days before the due date. This creates an operational and cost burden on most credit unions.

If the due dates are changed to a date after the 21st of the month, then new amortization schedules would have to be performed for each loan that is on the credit union's records.

If this provision is to remain part of the CARD act, please consider delaying the implementation date.

Thank you.

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