

August 7, 2009

Board of Governors of the Federal Reserve  
20<sup>th</sup> & C Streets NW  
Washington, DC 20551

To the Honorable Board of Governors:

I am Shannan Stavinoha, Branch Vice President of First Community Credit Union.

First Community Credit Union is a full-service community credit union, which has been in operation for 55 years. We have approximately 78,000 members, 230 full-time employees and \$654 million in assets. Credit Union's face numerous problems in trying to implement a plan to comply with the 21-day notice for all multi-featured open-end loans. There are Credit Union's who mail quarterly statements on all their loans and monthly statements on share draft accounts or any account that is affected by an electronic transfer. Many operate with a small staff; the burden of adding monthly statements for all open-end loans would be tremendous. Cost of possible additional staff, statement paper, envelopes, toner and postage to name a few.

Credit Union membership nationwide has come to expect the convenience that Open-End lending provides. There are several members who add to their Open-End Personal loan monthly to enable them to pay necessary bills until they receive their next paycheck. If Credit Union's are forced to change to Closed-End lending due to the passage of this bill and its negative effect on multi-featured open-end lending, this could drive our members to predatory pay-day lenders who charge an astronomical interest rate. Credit Union's also have members who have their payments set up for semi-monthly or biweekly payments to enable them to match payment due dates to their paychecks. Forcing them to change to monthly payment due dates, again to comply with the law, would impose undue hardship on the borrower. The very bill that was intended to have pro-consumer legislation would actually become anti-consumer.

I urge you to at a minimum, delay implementation of the new interim final rule for several months so credit unions, data processors and the members can sort out these complex issues.

Thank you again for the opportunity to express my comments and concerns on this critical issue.

Sincerely,

Shannan S. Stavinoha  
Branch Vice President  
First Community Credit Union