

From: Leo Francis  
Subject: Reg Z - Truth in Lending

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Comments:

Re: CARD Act.

With the new rule, as now written, our credit union will have to change the way it makes open-end credit available to members/consumers. It will result in less flexibility for the borrowers. I understand and agree with the intent of the new 21 day requirement as it applies to open end revolving credit accounts which the payment changes monthly. I would however ask that the Federal Reserve exempt open end fixed payment loans that are due on the same day of the month from the 21 day requirement. Below lists the reasons for exempting this type of open end credit:

Borrowers will continue to have flexibility in scheduling their payment due dates?

Statement and/or payment notification expenses will not increase allowing us to continue to offer lower rates/costs to borrowers?

Borrowers know at the time of a new advance the fixed payment amount that is due on the specific day of every month that best fits their budget. The monthly payment is a fixed amount, due on the same day of each month until paid in full.

I hope you will consider this adjustment to the current 21 day requirement as it is written today.

Leo Francis