

From: APCO Employees Credit Union, Merrill Mann
Subject: Reg Z - Truth in Lending

Comments:

Federal Reserve,

I am an employee with a large credit union. While I applaud the efforts to bring the deceptive and predatory credit card practices under control, putting open end loans under this same umbrella will cause problems for us and the 60,000 members we serve. While we do outsource our billing on our 25,000 members who have an APCO Visa credit card each month, we do not bill the 6000 members with an open end home equity or personal line of credit loan. We use monthly coupon books or payroll deduction as a means for members to repay these loans.

Having to inconvenience members with open end loans by making only one payment date available at the end of the month so we can mail all the statements at the first of the month in order to comply with the 21 day rule will not be well received by our members/customers. It will also be an operational problem for us because while we now outsource our credit card billing, there are few if any options of who we can outsource our open end billing to. So, we will have to configure our software and operations to send bills to members, something we have never done in the past. Having to bill will also be an added expense of over \$2600 in monthly postage.

Credit unions have not been part of the problem that is causing the change in the regulations. We have always treated people fairly and done the right thing. While we do not charge late charges on our open end loans, we do report serious delinquencies (over 60 days past due) to the credit bureau. We would like to be able to continue this sound business practice on our open end loans without having to consult with an army of lawyers to find out whether or not we are violating any letter of the law. We have always complied with the spirit of the laws and regulations and we request that the open end home equity and open end personal lines of credit not be subject to the 21 day advance bill. Please reserve that exclusively for credit cards.

Thanking you in advance for your consideration.

Merrill Mann
APCO Employees Credit Union