

From: CEOKEMBA Louisville Credit Union, Donald G Diebold  
Subject: Reg Z - Truth in Lending

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Comments:

We would like to express our concern as to the requirements that members be given 21 day prior notice of due dates on open end line of credit products. Many of our members are paid weekly. Requiring the change to 21 day notice requires us to change due dates to monthly. On simple interest loans, this will cost our members more as the declining balance will adjust once a month instead of once a week. The result is that over the life of the loan the member will pay more interest. I do not think this was the intent of the Reg change.

Many members live paycheck to paycheck. Requiring a weekly payroll deduction for a monthly loan payment puts those funds at risk of being withdrawn prior to payment due date. This could result in a missed payment at month end which will result in delinquent credit report history.

I agree that credit card reform was overdue, however including all other line of credit loans creates a potential negative for the membership.

On a business note the cost to conform to this Reg regarding line of credit loans is significant. Quarterly statements will be converted to monthly creating additional mail cost as well as data processing charges. Set up to convert due dates is \$550 to our credit union, plus the additional monthly charges.

Please consider the negative impact to both the credit union and the member. Many members use these products to cover overdrafts and other monthly expenses. I do not believe that as the reg is currently written that we are serving our membership at the lowest cost possible.

Respectfully:

Donald G. Diebold Jr.  
CEOKEMBA Louisville Credit Union