

From: Bob Donley
Subject: Reg Z - Truth in Lending

Comments:

1. What are the costs for your credit union associated with this new compliance requirement? We have yet to incur any hard dollar cost. We do expect the additional requirements that come in 2010 will have hard dollar cost associated with them and they are estimated to be \$25,000 - \$50,000 in one-time system programming cost associated with including information on our statements that currently does not print on our statements.

2. In your own words, what is the operational impact in complying with the requirement to provide members with a statement 21 days in advance of their payment due date by the August 21, 2009 deadline? To say the least, this new rule will cause confusion for our staff, but we believe the most negative impact will be to our members. The vast majority of our members have their monthly financial transactions occurring in the part of the month they need them to occur to match with the timing of their pay periods and have automated transactions in place to make their loan payments. This change has the potential to be extremely disruptive to our members. We believe that members who have opted for a payment to occur on a date in a month that matches their pay periods should not be required to change that date nor should we be required to change from mailing one combined statement to comply with this new rule. Many of these transactions have been in place for years and to force this unnecessary change on them or us is an unfortunate, unintended consequence of these overreaching regulations impacting loan products that were clearly not intended to be impacted by the law that was passed.

Bob Donley