

From: ELGA Credit Union, Sarah Uptegraff
Subject: Regulation Z - Truth in Lending

Comments:

December 17, 2010

To Whom It May Concern:

My name is Sarah Uptegraff and I am a Branch Manager at ELGA Credit Union. I have recently found out about the new disclosure that is being contemplated in regards to credit life, disability and GAP. I am shocked to see how negative and misleading the language is on the example disclosure we were able to view. Our credit union is in Flint Michigan and we have an extremely high rate of sales on these products. To see a disclosure focusing on all negative information truly seems like it is working against the consumer.

In my experience here at ELGA I have had countless members benefit from this product. A specific example of this was a home equity loan I was able to cover with credit life. This was an elderly couple that decided to take the coverage at closing. This year the wife came in to see me to let me know her husband had passed away suddenly and she needed to know what in the world she was going to do with this large home equity. I was able to give her some VERY good news in her time of grief because CUNA paid \$50,000.00 off of her home equity and left her only a \$17,000.00 balance in which we were able to refinance to make the payment manageable. If she wouldn't have had this insurance she said she doesn't know if she would have been able to maintain the payment since her monthly income decreased by so much. If she wouldn't have had this coverage she would not have been able to protect the life insurance she was able to collect after the death, the insurance allowed her to better her situation and stay in her home and maintain the life in which she was used to. This is just one example of how we were able to be of true benefit to our member for minimal cost a month (\$43.00 a month on a \$96,400.00 loan balance).

Here at ELGA Credit Union we fully discuss the cost and coverage to our membership currently. We would truly be doing them a disservice to them if we give them all negative information about something that can potentially protect them from substantial loss. Here in Genesee County, Michigan we are still experiencing a high number of lay off's and record high unemployment rates. Due to this fact we have many families that currently have no type of insurance coverage at all. Our credit life, disability or GAP could be the saving grace for many families around our area because of their lack of ability to have regular insurance coverage. If these members read a negative misleading disclosure and don't take our coverage we are only HURTING them not HELPING. Being part of a credit union we are all about people helping people; which is what we are able to do with this coverage. If we have to start using a disclosure that only speaks of potential negative things through these products and members don't take the coverage I will feel as though I have let them down! We need to sell this coverage with integrity and honesty which is what we have always done. please don't make us change that!

Thank you for your time,

Sarah Uptegraff
ELGA Credit Union
Flushing Branch Manager

"Life isn't about waiting for the storm to pass, it's about learning how to dance in the rain." ~Vivian Green