

From: ELGA Credit Union, Jessica Snow
Subject: Regulation Z - Truth in Lending

Comments:

From: Jessica Snow
Sent: Friday, December 17, 2010 11:04 AM
To: 'ww w. regs.comments@federalreserve.gov'
Subject: Regulation Z-Docket No.R-1390

To Whom It May Concern:

Recently we have heard that loan officers will now need to give out another notice to our members that negatively talks about the benefits of our credit life and disability products. The communities around us are not heavily insured by their places of employment. The products that we are selling are currently at a great price for the piece of mind and protection our members will receive.

I recently had a low income member purchase a vehicle and get the loan with us. Her payment with credit life and disability is \$123.78 and without was \$120.85. As you can see, the payment did not increase a lot at all. Luckily, she took the protection because it wasn't too long after she got the loan when she got hurt at work and had to be off for an extended period of time. Her place of employment paid her 60% of her pay while she was off. Instead of having to use some of that 60% on her car loan and struggling more than what she normally does, we were able to make her payments for her through her disability coverage. My member was extremely thankful for this! There are so many members that can benefit from our products. A lot of people live paycheck to paycheck and when their income is cut it can cause turmoil. I know that we are helping our members out tremendously by protecting their loans and giving them a sense of security.

I used to never buy credit life and disability on any of my loans before I worked at the ELGA credit union. I used to think it was just an added cost that would not benefit me. My process of thinking was, "nothing will ever happen to me." I am older now and more educated on these products. I have protected every loan I can with credit life and disability to protect my family and finances. Our credit union takes pride in educating our members about the benefits of these products and helping to ensure they make decisions that are in their best interest.

I truly believe that providing a disclosure to our membership that has a negative nature in regards to these products will cause confusion and for members to decline the insurance when truly it is something they need. We live in a low income area and have a lot of member that do not have any type of insurance. I know I would be providing a disservice to my membership if I was not able to give them the benefits of these products to ensure they fully understand the positive aspects of what ELGA can offer them.

Thank you for taking the time to understand my concerns.

Sincerely,

Jessica Snow
Lending Specialist
ELGA Credit Union