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February 22, 2005

Board of Governors of the Federal Reserve System  
Jennifer J. Johnson, Secretary  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20551

RE: Request for Comment: Federal Reserve Board Advance Notice of Proposed  
Rulemaking: Regulation Z (Open-End Credit Rules)

To Whom It May Concern:

I would like to take this opportunity to comment on the above referenced proposal concerning Regulation Z (Open-End Credit Rules).

Format of Disclosures

- This credit union has no suggestions to use formatting tools, or other navigational aids, for ITLA's account-opening disclosures that will make the disclosures more effective for consumers throughout the life of the account.
- Certain disclosures should not be grouped together on the same page of periodic statements.
- The "Schumer Box" does not need to be redesigned.
- In reference to subsequent disclosures being linked to information in account opening disclosures, the language could indicate the linkage in subsequent disclosure so that consumers understand that the subsequent disclosures are related to information previously received.
- We would find additional model clauses for subsequent disclosures helpful if the Federal Reserve provided them.

Content of Disclosures

- We believe that the current methods by which consumers learn about fees imposed in connection with services are adequate.
- A rule should not be implemented that would classify a fee as a finance charge based on whether the fees affects the amount of credit available or the material terms of the credit.
- Rules used to classify fees for open-end accounts should mirror the classification rules for closed-end loans.
- Consumers should not receive periodic statement disclosures about the effect of late fees and over the credit-limit fees.
- We don't believe that it would be helpful to consumers to include an annual percentage rate (APR) disclosure that includes finance charges other than interest.
- Regulation Z should not be amended to require disclosure of the payment allocation method in accounts that have different rates for features such as cash advances and balance transfers.
- There are no particular accounts, such as secured accounts, that require special disclosures.



### Substantive Protections

- Provisions regarding the substantive protections of TILA don't need to be revised.
- Regulation Z's substantive protections should not be applied to all transactions under an open-end plan, including "convenience checks".
- Existing rules adequately inform cardholders of the date and time by which to mail payments.

### Additional Issues

- We don't believe some issues raised by the open-end credit rules are so intertwined with other TILA rules that other approaches should be considered.
- There are no obsolete rules or guidance that should be eliminated from Regulation Z.
- We don't feel there are any classes of transactions which should not be included in the coverage of Regulation Z.
- Don't feel any change in structure and language of Regulation Z is needed.
- We feel current rules are adequate and aren't overly burdensome. We have no further suggestions or comments on how to amend Regulation Z in regard to open-end credit accounts.

We appreciate the opportunity to comment and request your consideration of these comments.

Sincerely,



Karen Ellis  
Security/Compliance Officer