

**From:** "Yvonne Eaves" <yvonne.eaves@peoplesbc.com> on 11/07/2005 12:15:01 PM

**Subject:** Truth in Lending

On one hand banks are told that the regulatory agencies are working toward reducing unnecessary regulatory burden and on the other hand, we are beset with more proposed regulations that will only increase the burden and cost to banks and add to the information overload that currently intimidates and confuses consumers. Accordingly, I offer the following comments.

1. The proposed changes to Regulation Z mandated by the Bankruptcy Protection Act should certainly not apply to revolving lines of credit such as home equity lines and overdraft protection lines that are covered by sections 226.5b and/or 226.6 of Regulation Z. Currently, extensive disclosures are required for those types of lines, including extensive disclosures and examples regarding repayment terms for home equity lines.
2. The proposed hypothetical examples of how long it would take to pay off a specified balance if only minimum payments are made seem to be based on so many assumptions and variables as to render the results virtually useless. Why give consumers hypotheticals that don't accurately reflect their particular accounts? This will only serve to confuse them more.
3. Any toll free numbers for customer calculations should be maintained by the Board and/or the FTC, and not be another burden and expense placed on financial institutions. The numbers should be available to all consumers. How can maintaining a toll free number for customers of institutions with assets of \$250 million or less be workable? Will the consumer be asked the size of their financial institution when they call? How many customers of the average community bank are going to know their bank's asset size off the top of their heads? If the burden of maintaining a toll free number is going to be placed on financial institutions, \$250 million is far too low a threshold. It should be at least \$1 billion.

Thank you for your consideration of these comments.

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