

From: "Jane Sward" <jsward@austinfcu.com> on 10/04/2007 01:35:03 PM

Subject: Truth in Lending

Dear Sir:

Austin Federal Credit Union has provided low cost loans to our members since 1967. We have relied upon open-end loan lending for more than 20 of those years. AFCU has assets of just under \$24M. With only 2 in our lending department, we rely on the efficiencies of open-end lending to be able to serve our members in an accurate, timely manner. Open-end lending also allows us to remain competitive with other, larger, financial institutions despite our small size.

For our members, proposed changes would slow down loan processing and possibly affect rates and fees to offset additional processing costs and/or additional credit union lending personnel. For the credit union, proposed changes would create more paperwork and would be a significant expense to implement since our service bureau provided forms would all require remapping and additional training would be required for our staff.

As a small credit union with limited staff and resources, proposed Reg Z changes would have a significant detrimental impact on our operations. Our members have relied on this method of processing for their lending needs for many years and have come to expect the efficiencies of open-end lending.

Thank you for your consideration.

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