

From: "Jackie Weede" <Jweede@pantexfcu.com> on 10/09/2007 03:50:00 PM

Subject: Truth in Lending

Pantex Federal Credit Union
Box 5206
Borger, TX 79008-5206

Dear Sirs:

The proposed changes to the multi-featured, open-ended lending plans could adversely impact our ability to offer our members convenient lending options. If the credit union is forced to move away from open-end lending to closed-end lending this would affect the credit unions ability our members. The open-end plan governs all future, present, and past loans that the members sign. With this plan all the member's loans are tied to this one plan. This allows the credit union to ensure that the members can add to their existing loans as needed as long as the value of the collateral will allow the advance. If we are forced to use only closed-end loans then the members would not be able to do any extension at times of trouble and the delinquency rate and/or repossessions could increase, which could cause the credit union to increase their interest rates to offset any possible losses. Each Christmas we offer a skip a payment program to allow the members to miss their December payment and use it for Christmas. Currently this program is used be an average of over 2500 members each year. If we are forced to use closed-end loans we would be unable to offer this service. This could be a major problem with the membership as they have become used to this extra income for Christmas. This could become a nightmare for the credit union. Currently when a member does a loan with an existing plan a simple upgrade on their application allows the credit union to speed up the process and help the members in a short period of time. With a closed-end note this process would be much longer. The current system is over 25 years old and has worked well over that period of time. The proposed changes would require the credit union to make modifications to our current credit union practices. Cuna Mutual stands behind all the current documents of the open-end plan. With the current system the members receive adequate disclosures with each loan tied to the plan. Since the current system has worked for many years it does not seemed to be any good reason to change just for the purpose of change.

Sincerely;

Jackie C Weede
Executive Vice-president