

**From:** "Kay Stewart" <kaystewart@thenetcu.com> on 10/09/2007 06:05:03 PM

**Subject:** Truth in Lending

To: Board of Governors of the Federal Reserve System

REF: Docket No. R-1286

To Whom It May Concern:

I am writing to you today to comment on the proposed changes to Regulation Z, specifically, as they apply to multi-featured, open-ended lending programs.

Our credit union has offered open-ended lending to our members since the late 1970's. The current system has worked well for us, and we have received no complaints from our members on disclosures or processes associated with our open-ended program. In fact, our members have come to rely on the convenience offered by our lending program. To change these processes as proposed would seriously disrupt our ability to provide convenient loan options to our members.

Our credit union has a community field of membership, and therefore, our 11,000 members are distributed over a wide geographic area. We do not have many branch locations (as big banks do) and consequently our members cannot always make it to a branch location to complete paperwork. If the rules regarding open-ended lending were to change, our members would in many more cases have to conduct business in a branch, and this would inconvenience them greatly.

As credit unions, we pride ourselves on great service to our members, and great rates on loans and deposits. If the Federal Reserves' changes to Reg Z come to pass, then we would have to modify our lending procedures and operations. This will require greater expenses in the form of staff training, new software, and new forms. We do not want to have to pass the cost of these increase expenses on to our members.

It is for these reasons that our credit union would like to go on record as opposed to the proposed changes to Reg Z, specifically, changes pertaining to multi-featured, open-ended lending programs.

Thank You for your attention to this matter, and, for your consideration of our comments.

Sincerely,

Kay Stewart, CEO