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September 25, 2007

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

**RE: Docket No. R-1286**  
Proposed changes to Regulation Z

Dear Ms. Johnson:

**Localized Impact of Reg Z Changes on Entrust FCU – Richmond, VA**

The proposed changes to Regulation Z will have a far-reaching impact on Entrust Federal Credit Union. Entrust FCU was formed in 1970 sponsored by the International Mission Board of the Southern Baptist Convention. We have evolved into a faith-based Credit Union serving both individuals and organizations with a similar mission. Consequently, our primary member base is comprised of missionaries (and their families) who serve throughout the United States and the world. They have come to rely on Entrust to provide them with products and services, regardless of where they are on the globe. We are approximately \$47 million in assets, serve over 9,000 members and do this with an employee base of 19 FTE's. Entrust is not a community-chartered CU, therefore, rely on a select employee group base for growth.

The Reg Z changes will impact Entrust in a very negative way, and in turn impact the services we can provide our "unique" membership base. I will outline these impacts in detail:

1. The updated regulation will add additional expenses to Entrust, and we will have no choice but to pass this onto our membership. A significant portion of our membership already live simple, unencumbered lives, serving as missionaries in 3<sup>rd</sup> World countries. They are unable to absorb any additional fees or costs into their financial lives. Our members have given up sometimes lucrative careers to spread the gospel throughout the world and they have come to rely upon Entrust to provide financial solutions that are both flexible to their situations and affordable.
2. The Reg Z changes will become a burden to Credit Union members. As stated earlier, the membership of Entrust FCU is a mobile one, missionaries, families of missionaries and religious leaders/organizations. Over 75% of our membership lives outside our 45 mile service area. We only have one office and don't have

the luxury of having branches and loan officers stationed all over the world. Multi-featured, open-ended lending allows our members access to credit they would not otherwise be allowed access. Entrust's lending solutions are tailored to the special needs our members have, and provide affordable credit products not found through "traditional" financial institutions. Providing credit products to missionaries who are leaving the country for years at a time is not something most institutions are comfortable doing. Entrust has created skills and infrastructure for dealing with these unique situations. By closing this door, access to credit for our members would be greatly diminished and possibly disappear.

As you see, the suggested changes to Regulation Z will have a very negative impact of our members and their ability to borrow money from remote areas. We trust you will give this serious consideration as you weigh the changes being proposed. Should you have any questions or need further clarification, we would welcome the opportunity to discuss this further with you.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Sean O'Hara".

T. Sean O'Hara  
Vice President of Lending