

October 11, 2007

Ms. Jennifer J. Johnson
Secretary
Board of Governors of the
Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Docket No. R-1286 – Proposed Regulation Z Open-end Credit Rules

Dear Ms. Johnson:

The management of DuPont Community Credit Union (DCCU) welcomes this opportunity to comment on the Federal Reserve Board's proposed changes to Regulation Z. DuPont Community Credit Union is a state-chartered community credit union serving over 50,000 members and managing over \$500,000,000 in member assets.

The members of DCCU rely heavily on the convenience afforded by multi-featured, open-end lending plans. Therefore, DCCU strongly objects to the proposed changes that would severely curtail the ability of credit unions to use such plans. It is our belief that the disclosures currently provided under these plans are sufficient and provide members with the information they need on a timely basis. The proposed changes address a problem that simply doesn't exist and will require credit unions to undergo significant expense in order to comply. In light of the significant expense of returning to closed-end lending programs, DCCU is also concerned about the possible effects of the Board's intended review of closed-end lending provisions in the future. If changes are proposed at that time credit unions could face another significant monetary burden in the form of system reprogramming, purchase and/or development of forms, and staff training.

For the proposed changes to the application and solicitation disclosures, we agree that the table format and 10-point font size may be easier for consumers to understand. However, we do not believe listing only the highest possible APR (of the range of possible rates) would be appropriate, as consumers may very likely believe this would be the APR that would apply to them.

Our comments on the proposed application and solicitation disclosures also apply to the proposed account-opening disclosures. In addition, financial institutions should have the flexibility to amend and reduce these disclosures since much of this information may also be in the cover letter that is provided to consumers when the account is opened. We also believe that the model account-opening disclosures and the application and solicitation disclosures should be

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identical, as opposed to substantially similar, as this will reduce confusion for both consumers and financial institutions that choose to use these model disclosures.

We support the Board's proposal to provide additional information on credit cards on its website. This should include information based on the specific needs of certain individuals and information on the various types of card issuers, such as credit unions.

We strongly support eliminating the requirement to disclose the "effective" APR on the periodic statement, which is the APR that incorporates certain fees and costs. The effective APR is confusing and difficult for consumers to understand, since it may vary greatly from month-to-month and may significantly differ from the interest rate that has also been disclosed to the consumer. However, we do agree that the dollar amount of these fees and costs should continue to be disclosed. We also support eliminating the requirement to disclose the periodic rate.

With regard to the proposed periodic statement model form, the Board's consumer testing seems to indicate that grouping transactions by type, such as purchases, cash advances, balance transfers, fees, and interest, is easier for consumers to understand. However, credit unions have generally been grouping transactions chronologically and have heard very few complaints from their members with regard to this format.

With regard to the proposal that will include information on the effects of making minimum payments, as required under the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (Bankruptcy Act), creditors should be permitted to describe this information as a "good faith" estimate, or similar terminology, since it is based on assumptions that may or may not apply in each specific situation. We also support the flexibility provided under the proposal that will allow creditors to bypass certain requirements if they provide actual repayment information on the periodic statement or through the toll-free telephone number, instead of the required hypothetical repayment information.

While DCCU supports the proposed change that would require a longer advance notice before changing certain terms of an open-end credit plan, we urge the Board to consider adopting a 30 day period instead of the proposed 45 days. This will enable credit unions to provide the required notice along with the regularly provided monthly statement, thereby reducing cost.

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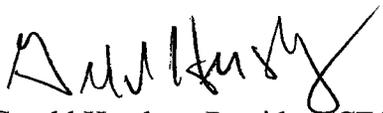
We generally support the changes that will apply to electronic application and solicitation disclosures. We also agree there may be instances when consumer consent may not be necessary for certain electronic disclosures, such as the disclosure of fees when the consumer is making payments online.

We support the additional guidance that is provided for debt suspension coverage, which is comparable to the guidance for debt cancellation coverage.

In the unfortunate event that the Board adopts all of the proposed changes mentioned above, we strongly urge the Board to consider a 36-48 month implementation period, because the proposal incorporates the most extensive and comprehensive changes to the Regulation Z open-end rules since the early 1980s. Credit unions will require this time to make extensive data processing changes, hire and retrain staff, update websites and develop new loan forms, disclosures, and periodic statements.

The management of DuPont Community Credit Union thanks the Board for considering these comments on the proposed changes to Regulation Z.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerald Hershey", with a stylized flourish at the end.

Gerald Hershey, President/CEO
DuPont Community Credit Union