

Date: Sep 26, 2007

Proposal: Regulation Z - Truth in Lending

Document ID: R-1286

Document
Version: 1

Release Date: 05/23/2007

Name: Bonnie L Timm

Affiliation: RiverWood-Maritime Credit Union

Category of
Affiliation: Other

Address:

City: Two Rivers

State: WI

Country: UNITED STATES

Zip: 54241

PostalCode:

Comments:

Re: Proposed changes to REG Z - Truth in Lending (R-1286) Dear Sirs: I am writing to you to express my concerns in regards to the new changes that would occur with the proposed new Reg Z ammendments. While I do agree that credit card disclosures can be difficult to understand and more simple forms and disclosures would be beneficial, I do not believe that making any changes to the "Multi-featured Open-End Credit Plans" is necessary and I would argue that the proposed changes would be detrimental to both our industry and the members that it serves. Multi-featured Open End Credit Plans has gained wide spread popularity among its constituents mainly because of the simplicity that it brings to lending. Members need only to sign one Master Promissory application and agreement for their current and subsequent lending needs. This streamlined and comprehensive approach to lending has made the cost of loan delivery much more less expensive. Less staff is needed to process requests, less paperwork and documents are produced, turn around time is greatly increased, and the funds are usually dispursed on the same day. All of these increased efficiencies have resulted in lower delivery costs and consequently lower lending rates. For a small Credit Union of \$23 million in assets and working lean with staff, if these features are taken away, members will experience longer waits, will be required to complete more paperwork and red tape, along with increased costs which may result in higher lending rates, and will become even more disenfranchised with the American lending experience and resort to other means for the money they need. When considering changes to REG Z, please do not throw the "baby" (Multi-Featured Open End Lending) out with the "bath water" (Credit card disclosure changes). Sincerely, Bonnie L. Timm, President RiverWood-Maritime Credit Union