



WHITE EAGLE CREDIT UNION

Richard G. Blue, President

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July 31, 2009

Chairman Ben Bernanke, Board of Governors
Federal Reserve Board

Dear Chairman Bernanke:

I am writing representing White Eagle Credit Union in Augusta, Kansas. We are a 55 Million Dollar Credit Union serving 10,000 members. I am writing asking for help with one of the most significant compliance issues we are facing. The issue is in regards to the 21 Day Rule which goes into effect August 20, 2009, as they apply to open end credit plans other than credit cards under the new Federal Reserve Board's interim final rule implementing the Credit Accountability Responsibility Disclosure Act (CARD Act).

Our credit union has been offering open end credit plans for our members for 75 years. Many of these loans are for automobiles, home equity loans, and debt consolidation. We have always provided our members a quarterly statement that summarizes their transactions. The 21 day rule would cause a significant hardship to comply with by August 20, 2009. Since we would be pressed to meet the 8-20-09 deadline, some of the consequences would be as follows:

- Would add approximately \$1,000 a month to expenses to provide additional new monthly statements.
- For a period after statements are generated, we can't file a credit report or charge a late fee even if our member is late.
- We would be compelled to provide additional credit based on an unintended outcome.
- Since our core data processor is not our credit card processor, we would have to alter payment dates and cease collection activity. Our members would be confused instead of comforted.

To summarize, we truly believe our method of utilizing open end credit is much different than traditional credit cards. However, if after a detailed analysis of open end lending for credit unions still produced the same conclusion, we would gladly

comply if only we had some more time to determine how it will impact our members. Thank you in advance for listening to our concerns.

Sincerely,

Richard G. Blue, President