



July 31, 2009

**Board of Governors of the Federal Reserve
20th & C Streets NW
Washington, DC 20551**

**Re: Interim Final Rule Implementing the Credit Card Accountability
Responsibility and Disclosure Act (CARD Act).**

Dear Sirs,

On behalf of the Pineywoods Chapter of Credit Unions, I am writing the entire Board of Governors to respectfully request that the Board delay compliance with the 21-day notice provisions for open-end plans other than credit cards set to take effect August 20, 2009.

As the program chairperson for the Pineywoods Chapter of Credit Unions, which is made up of eleven credit unions representing our East Texas Pineywoods area, we are doing our best to ensure compliance, but these provisions have created severe implementation problems for our credit unions data processing systems for each credit union to work with to ensure compliance.

Credit Unions differ from other financial institutions in that we provide our members with consolidated statements that combine information about all share (savings), share draft (checking), and loan account information that the member has with the credit union. Our members appreciate that all their information is consolidated as opposed to receiving multiple statements. In addition, members often choose biweekly payments and designate the due dates for their payments, often to coincide with their employer pay dates, all of which will need to be changed in order to comply with these provisions.

Our members will be upset if they have to convert their biweekly payments to a monthly payment plan in order to assist credit unions to comply with the 21-day rule.

All credit unions will have to work with their core computer system providers to make the necessary changes to dismantle consolidated statement systems that have been an industry standard for decades and that members have come accustomed and familiar with in order to provide separate statement for each type of account.

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This will be extremely expensive given the short time credit unions have to comply. It may not be possible for all credit unions to comply given the short time we have to work with our core systems and notify our members of these changes and why this must be done. I realize there was language included in the Supplementary Information accompanying the rule that sought to provide an option to allow credit unions to provide a temporary disclosure insert with statements, and we appreciate the effort this represents to address our concerns. However, this option will not provide the relief that credit unions are seeking to comply by the fast approaching date of August 20, 2009.

I am asking that the Board use its authority under the Truth in Lending Act, as it has when implementing previous TILA amendments, to allow more time for credit unions to comply with these provisions so they are not subjected to needless legal challenges.

I assure you that all the credit unions that represent the Pineywoods Chapter of Credit Unions are working to comply with these requirements in the most expeditious manner. We respectfully request that the Board allow more time for compliance.

We also request the Board permit the credit unions to continue to utilize consolidated statements by placing on each member's monthly statements the dates on which all covered payments are due in the current month and the next month; this will ensure that members receive at least 21-day notice for all open end payments. This may be the most viable option for achieving compliance for open-end plans other than credit cards and could alleviate the need to dismantle credit union systems that utilize consolidated statements that our members are familiar with for decades.

Still, even with this option, credit unions will still need additional time to implement the various changes to our core computer systems that will be necessary and notify our members of these required changes to comply with the CARD Act.

Thank you for your prompt attention and consideration.

Sincerely,

**Jonathan P. Matthews, CEO
Southland Federal Credit Union
Program Chairman – Pineywoods Chapter of Credit Unions**

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