

From: First Pace Credit Union, Jennifer Tiedman
Subject: Reg Z - Truth in Lending

Comments:

Federal Reserve Board,

I am very concerned about the burden being placed upon our small credit union to comply with the Credit Card Act and the requirement to mail a statement to our members at least 21 days before the payment due date.

Our Home Equity Loan offering is an open end, fixed rate product that has a balloon payment due at five years. Most of our payments are made by payroll deduction on a weekly, bi-weekly or semi-monthly basis. This will disrupt the members understanding of our product and lead to their confusion and understanding of how we are able to help them.

To keep in compliance with the Credit Card Act as it stands, we will have to rewrite each loan to change the terms to a monthly payment to comply with the 21 day rule. We cannot possibly do this without an extensive cost to contact each member to agree to the paperwork, change our system and rewrite our policy to conform to this Act, all by August 20th.

Our data processor is not able to support sending a monthly statement for our one type of loan at this time, so to send a monthly statement to all members will be an extremely costly expense for us, with an estimated additional expense of \$1800 per month.

Please reconsider how your Credit Card Act impacts those who do not have a credit card product. More input and an extended comment time would have allowed those who are affected ample time to provide feedback on the follies of a poorly written document.

Sincerely,

Jennifer Tiedman
FIRST PACE Credit Union