

From: Rheem Arkansas Federal Credit Union, Nanette Crosslin
Subject: Reg Z - Truth in Lending

Comments:

I am the manager of a 4 million dollar asset size credit union with 2 employees. I wanted to comment on the 21 day notice of payment rule that will go into effect on August 20th. Our credit union sends out quarterly statements to our members. We do not have credit cards. But all of our loans are open end loans. On the expense side of the issue the extra postage and related expense would put our meager budget into the red. I have spoken to our software provider and they have told me that to be in compliance with this payment rule we would have to change our members payment dates. Our software is not set up to accommodate printing statements in that environment. We may be looking at a software conversion. That is an additional expense that will even further put our costs severely over budget. Another issue is it would be confusing to our members to have their loan due dates changed, some have requested certain dates or arrangements such as twice monthly payments or weekly payments.

I understand the need for certain provisions in the Act. I myself have been a victim of a credit card company hiking up interest rates because of a payment made 1 day late. But our credit union and all credit unions that I am aware of do not operate in that manner. I appreciate your time in reading these comments. Please keep us in mind when working on the provisions of the Card Act.

Sincerely,

Nanette Crosslin
Rheem Arkansas Federal Credit Union