

From: Ecusta Credit Union, Susan Holliday
Subject: Reg Z - Truth in Lending

Comments:

As one of the many credit unions across this nation, it behooves me to write this email asking that you revise the current Credit Card Act before it is finalized. When you write a bill for credit cards, it should pertain to credit cards only, not all open ended loans.

As you know, credit unions have been in the business of helping their members for years.

Ecusta Credit Union is one of the most fee free financial institutions in our county. We do charge late charges on our consumer loans and Visa cards after a fifteen day period. We have no annual fee, have always had a 25-day grace period, no penalty for pre-payment, and no over the limit fee. Our members will have a seamless transition on the credit card side, but our due dates on our open ended Loanliner loans vary from weekly (paydays vary to most days of the week), monthly, bi-weekly, and bi-monthly. The enormity of trying to change the due dates on these loans will be enormous and cannot be done within a six week timeframe. Also, changing the dates will not be what our members have requested at the time of their loans.

As you all know, a member signs a contract at the beginning of a loan that states payments are due on the date requested by the member. Additional notice can be given now in the form a payment book (most request not to receive them) and with the reminder of their monthly statements. I do not see the benefit to our members of changing their due date so they can receive notification 21 days in advance of the payment due. Aren't we talking about adults, who in good faith, asked for the loan to begin with? Can't they be trusted to know that a payment is due on the date the contract specified?

I agree that the credit card industry has gotten "out of hand" and should be reigned in for raising interest rates when payments are late or for being able to charge over the limit fees. Don't they receive additional interest from the principle owed anyway?

Please take the time to reconsider your decision on all open ended loans needing to be changed. You were trying to change the credit card system. Our loan program has worked for many years and we, the Board and Staff of Ecusta Credit Union, and our 7,600+ members would like to see that it remains the way it is now on our consumer open ended loans.

Your truly,

Susan P. Holliday
Ecusta Credit Union