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Comments:

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Proposal: Regulation Z - Truth in Lending
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Comments:

The new 21 day payment notification rule will impose a hardship on our Credit Union. We are a small \$26 million community credit union. I can see the importance to the changes to Reg Z for Credit Cards and open-end lending programs such as personal lines of Credits and Home Equity lines of Credit, but adding the multi-featured open end lending products such as auto or personal loans does not make sense. I don't believe the intent was to include these products but the regulation was pushed through so quickly and without request for comment that the effect of this was overlooked. In our case, we have a third party data processing vendor we depend on and pay for changes to the system. We will also incur additional expense to send monthly statements to every member with a loan instead of just members with checking. The additional expense is eventually passed on to our member/owners. We will have change all loan due dates to allow for the 21 day notice. This will be confusing to our members many of whom pay their loans with each payroll (weekly, bi-weekly, semi-monthly). We did not and do not engage in predatory practices and should not be penalized. At the least, the effective date for the changes needs to be pushed back a year to allow time for programming changes.