

From: First Heritage FCU, Susan Keefer
Subject: Reg Z - Truth in Lending

Comments:

Passage by the Senate Banking Commission of the recent bill know as the Credit Card Act and it's inclusion of (MFOEL) Multi-feature Open-End Lending, will put an unnecessary financial and operational burden upon the Credit Union industry at a time when their financial resources are already being taxed.

The primary issues dealing with Credit Cards and the questionable actions that have been taken against consumers are unrelated to lending practices used by Credit Unions offering Open-End Lending services for various consumers borrowing.

It is my understating that the original legislation that created the Credit Card Act did not include Open-End Credit, other than credit cards. The language dealing with open-end credit was added at the last minute without meaningful input from the Credit Union industry.

The impact on borrowers and lenders was not fully considered and this is bad for business and the economy.

Consideration should be given to Grandfather all existing advances made under the (MFOEL) Multi-feature Open End Lending program prior to December 31, 2009, with the understanding that beginning January 1, 2010, loan advances must comply with the Act.

This would give creditors that wish to continue offering (MFOEL) Multi-feature Open-End Lending time to put into place policies and procedures that would allow them to be compliant without undue burden.

We urge you to reconsider and exclude existing advances made under the plan and establish the implementation date to January 1, 2010.

Respectfully,
Thomas J. Coleman
First Heritage FCU