

From: NW Community Credit Union, Rex C Fox  
Subject: Reg Z - Truth in Lending

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Comments:

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Proposal: Regulation Z - Truth in Lending  
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Comments:

Why are we attaching an open ended lending obstacle to a credit card regulation? We send statements to our members every quarter itemizing their consumer loan activity, but we do not send "bills" before each payment. If members do not set up payroll deduction, automatic transfer from a CU account, or ACH payments, we provide payment coupons, so members know their payment amount, due date, etc. Also, we already allow at least 10 days grace before we assess any late payment penalties. This newly enacted requirement to send a statement for every loan, 21 days in advance will be a true hardship. It will also create a high level of confusion for our members, and we'll still want to send quarterly statements because our members expect it. The outcome: drastically increased costs with little or no benefit for our membership. The proposed credit card rules on the other hand, at least make sense since payments do vary based on balance, and unless members inquire online or call us, they might not know their amount due, or how much to pay in any given month to avoid finance charges, etc. For these reasons, sending a statement way in advance is important. This is genuine consumer protection, and while it is not necessary for credit unions (we do not have predatory pricing or policies), we can live with it, but please reconsider the statements-for-open-ended- loans language (or better yet, eliminate that short paragraph and stick to the credit card issue. Respectfully submitted by Rex Fox VP of Branch Operations Northwest Community CU Eugene OR