



P.O. Box 1210  
550 William Northern Blvd.  
Tullahoma, TN 37388  
1.800.342.3086  
ascendfcu.org

September 3, 2009

Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20551

RE: CARD Act of 2009

Dear Members of the Board:

Ascend Federal Credit Union is a multi-group credit union located in Middle Tennessee that has over 120,000 members and over \$1.1 billion in assets. Below please find for your consideration our comments concerning the Credit Card Accountability Responsibility and Disclosure Act of 2009 and the impact this CARD Act will have on our credit union.

Our credit union specifically objects to Section 106 of the CARD Act, which prohibits creditors from treating a payment late for any purpose unless the creditor ensures that periodic statements are mailed or delivered to the consumer no later than 21 days before the payment due date, applying to all open end loans. This provision is unduly burdensome for the loans under the credit union's open end lending plan.

Please consider that our membership receives one consolidated statement that includes all of their loans (except credit cards) and share and share draft account information. Members receive a separate credit card statement from the credit union. Compliance with section 106 of the CARD Act will require no changes to the credit union's credit card statements. Section 106 will require significant changes to the consolidated statement for all other loans under the open end plan. The options available for our credit union to comply with Section 106 of the CARD Act are unappealing as each option would create exorbitant costs to the credit union and in actuality take away conveniences and options afforded to our membership.

Our membership is currently allowed to choose their own due dates and payment frequencies. Many members take advantage of this option so they may coordinate their loan payments with their payroll dates and frequencies. Compliance with Section 106 would take this option away from our membership. It would be cost prohibitive to send a loan statement 21 days in advance to a member who chose to make weekly payments through payroll deduction because they are paid each week.

Our credit union urges the Board to reconsider applying Section 106 of the CARD Act to all open end loans as many of the changes will adversely affect credit unions and their members. This legislation as currently written is not in the best interest of the consumer and will have a tremendous negative impact on the credit union industry and its membership.

Very truly yours,

ASCEND FEDERAL CREDIT UNION

A handwritten signature in black ink that reads "Caren C. Gabriel".

Caren C. Gabriel  
President and CEO

Raising Possibilities