

ROSE CITY FEDERAL CREDIT UNION

P.O. Box 2741
Thomasville, Georgia 31799
229-228-9826

August 25, 2009

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Chairman Bernanke:

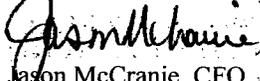
This letter is in reference to the recent changes enacted by Congress with regard to the Credit Card Accountability, Responsibility, and Disclosure (CARD) Act. As you are doubtless aware, this Act has introduced extraordinarily complicated problems for the Credit Union industry. The passage of this Act has and will continue to impact our lending practices. Credit Unions were organized to make credit available to ordinary citizens; "not for profit, not for charity, but for service." However, the recent changes in the financial services industry, from the Corporate Stabilization Act to the passage of the CARD Act and the complex regulations with which we are being asked to comply make it increasingly difficult to offer efficient, cost-effective services to our members. There is no way we can justify passing these expenses on to our already financially-pinched members; this would defeat the very purpose for which we were organized.

Please be assured that Rose City Federal Credit Union is making every effort to comply with this Act; we are waiving our already modest late fees and are not reporting delinquent accounts to the credit bureaus. Our Credit Union serves over 60 very diverse organizations with nearly 9,000 members who, in large part, repay loans via automatic payroll deduction on a weekly, bi-weekly, semi-monthly, or monthly basis. Therefore, it is simply too expensive to comply with this Act with so many different types of loan amortizations.

It is clear that this Act was intended to force the credit card industry to treat consumers in a more even-handed manner. While this is admirable, there is a ripple effect that came with this law which is causing far-reaching consequences. We are asking that you please exempt from this Act any not-for-profit financial institutions providing low cost services, namely Credit Unions. This exemption will enable us to remain economically sound and stable for our membership, rather than using our resources sending out unnecessary paper.

We are truly appreciative of your consideration.

Sincerely,


Jason McCranie, CFO
Rose City Federal Credit Union

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