

From: Thomas Pinnow
Subject: Regulation Z - Truth in Lending

Comments:

Thomas Pinnow

December 2, 2010

Federal Reserve Board

Dear Federal Reserve Board:

I sold regular life and disability insurance about 30 years ago. When I was an agent I was opposed to credit insurance because of the cost. However, there was an axiom at that time stating that, "The best insurance anyone can have is the one that is in force when you need it." After I got back into lending I realized that this axiom applies to credit insurance. I then became an advocate for credit insurance and my 30 years of lending has served to reinforce the important role of credit insurance. It is a fact that many people will NOT purchase their own life and disability insurance even though it may be a better deal. If borrowers are discouraged from purchasing credit insurance, many people will simply go uninsured. If they are disabled or die they will not have insurance to cover their respective debt. The cost of being disabled or dying WITHOUT insurance should be considered in this debate as well as the cost to the borrower AND to society.

Credit insurance serves a very important role. Yes, it may cost more, but it will cost the borrower much more if they fail to purchase the less expensive insurance. Which is the better deal for the borrower?

Please do not enact disclosures that will cast credit insurance in an unfairly negative manner because government should not be making this type of decision for consumers.

Sincerely,

Thomas C. Pinnow