



December 1, 2010

Jennifer J Johnson
Secretary, Board of Governors of the Federal Reserve System
20th St. and Constitution Ave. NW
Washington, DC 20551

Re: Docket No. R-1390 Comments

Dear Ms. Johnson:

Thank you for the opportunity to comment on the Federal Reserve Board's proposed changes to credit insurance and debt cancellation disclosures under Regulation Z.

The proposed revisions to the disclosure required for credit insurance and debt cancellation products are biased, misleading, and confusing.

Disclosures are intended to be a trustworthy source of neutral information, not an advocate for one course or the other.

What you are missing here is the benefit the borrower receives when they actually have to file a claim. Your statement that the borrower may never receive benefit from purchasing the product; isn't that true of every type of insurance? I hope never to file a claim for fire damage on my home, but I can't imagine not having coverage. I hope never to have my automobile totaled in an accident, but the State Law requires me to have insurance.

In my 25 year career at TwinStar Credit Union, located in southwest Washington state, I have had several instances where I have helped members file claims due to the loss of a spouse, and helped them retain their assets, and eliminated underlying debt. Speak to a widow who is wondering how she's going to be able to make it on a single income now, and then share with her that her car, truck and trailer are all now paid for.

Share with the mill worker that just because he was injured on the job, he doesn't have to worry about making a truck payment until he goes back to work, **WHENEVER THAT IS**. And reinforce to him that we won't be in his driveway tomorrow morning at 8:00 a.m. with a tow truck because he hasn't made his payments.

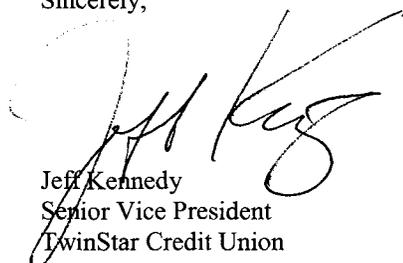
Our group debt cancellation program does not require health questions prior to insurance. Your statement that he may be able to get a similar product at a less expensive rate doesn't apply to someone who may have asthma or diabetes.

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Life is about choices, and those choices should be made available to our 75,000 members. Those choices should be presented in an open, unbiased manner, and your proposed ruling does NOT accomplish that. It would appear to be written by some consumer group that saw the ONE example of some financial institution that mislead or overcharged someone, when they could have purchased a like product for cheaper. It doesn't include the hundreds of members that are currently having their payments made while they're off work due to disability, or have kept their assets even through a devastating event such as death of a spouse.

I support a fair, unbiased and informative disclosure about credit insurance. The OCC already has well written guidelines, you should consider using them.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Kennedy", written over a circular stamp or seal that is mostly obscured by the signature.

Jeff Kennedy
Senior Vice President
TwinStar Credit Union