



North East Texas
Credit Union

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December 14, 2010

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Chairman Ben Bernanke
Board of Governors of the Federal Reserve System
20th Street & Constituion Ave., N.W.
Washington, D.C. 20551

Sent Via Email to: regs.comments@federalreserve.gov

RE: Proposed Changes to Credit Insurance Disclosures under Regulation Z and the Truth-in-Lending Act

Dear Chairman Bernanke:

I am sending this letter to voice my concerns about the Federal Reserve's proposed changes to disclosures on credit insurance.

I am an employee and member of North East Texas Credit Union in Lone Star, TX and I have seen first hand the benefits of credit insurance. I believe the individuals that purchase this insurance are very aware of the cost and benefits that it provides. I have been involved in paying claims for members that would not have the funds or means to take care their commitments without this insurance.

North East Texas Credit Union strives to keep costs of insurance products to a minimum and by purchasing this type insurance through a group policy we are able to cover most members that would not qualify for this type of insurance through a private policy.

The language propsoed in the disclosures misleads the consumer into thinking he will pay the maximum monthly payment consistently throughout the term of the loan. The cost of the insurance we offer, like most credit unions, decrease as the balance is paid down.

I hope you will take my concerns under advisement as you consider this new disclosure.

Sincerely,
Mindy Nichols
Senior Vice President
North East Texas Credit Union
mnichols@thenetcu.com