

Memo

To: Chairman Ben Bernanke
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

From: Tim Daigle

Date: 12-20-2010

Re: Proposed Changes to Credit Insurance Disclosures under Regulation Z and the
Truth-in-Lending Act
Docket No. R-1390

Dear Chairman Bernanke:

I am a branch manager and loan officer for the North East Credit Union in Jefferson Texas. We were recently informed of the proposed changes to disclosures on credit insurance.

Before I began my career in finance I worked in the manufacturing sector, an industry that uses safe work practices, but also where the unexpected is possible. Loan insurance is an option I always take advantage of and have encouraged other to use. I am truly concerned that the language used in the proposal will mis-lead borrowers about the value of the insurance.

The truth is the cost of the insurance decreases throughout the life of the loan as the balance is being paid down. The insurance offered by the North East Texas CU is at the lowest cost possible and is available to most of the membership. Without the advantage of loan protection insurance members face un-necessary hardships trying to keep loans current during time off from work.

I asked the Federal Reserve to take my concerns into consideration and stop the deceptive language used in the proposed disclosures on credit insurance.

Sincerely,

Tim Daigle
Branch Manager/Loan Officer

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