

From: J. David Christenson
Subject: Regulation Z - Truth in Lending

Comments:

December 23, 2010

Federal Reserve Board

Dear Federal Reserve Board:

Over the past two years the regulatory burden has grown to a point where it is harming small financial institutions, which include most credit unions and many community banks. Most of this regulation has an intent of providing consumers with better information regarding products and services but in reality makes it more confusing. The hundreds of hours that financial institutions spend on complying with regulations and the constant changes to them is a terrible burden in these tough economic times.

Thus, Connexus Credit Union strongly opposes the latest changes brought forth in the Federal Reserve Board's Reg. Z and Truth in Lending proposal that will mandate specific disclosures for payment protection products, including credit life, credit disability, and debt cancellation and debt suspension coverage.

These types of products help credit union members make loans and other types of payments in times of need. This provides members with peace of mind, especially for those members who do not have, and may not qualify for, other types of insurance. These products also help protect members' credit ratings, which is invaluable in ensuring that they have continued access to credit at reasonable rates.

Credit unions have always supported fair, accurate, and appropriate disclosures for members who purchase credit insurance and debt cancellation and suspension products. However, these proposed disclosures misrepresent the purpose and value of payment protection products to credit union members.

Connexus believes that this type of over-reaching legislation will drive many financial institutions out of business, leaving consumers with fewer and less attractive choices.

We strongly request that you do not modify these disclosures.

Respectfully,

J. David Christenson