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Comments:

Public Comments on Regulation Z; Truth in Lending:

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I stongly feel that the Debt protections product that we offer ou members is a very much needed benefit to them and to the Credit Union also.

Having credit protection on our loans provides us extra assurances that the loans will be paid on time. This decreases our charge-offs and loan losses. The product also provides us with a valuable source of non-interest income. All of this plays a vital role in the safety & soundness of our institution.

When we offer credit protection to our borrowers, we do so in a responsible manner, designed to follow the law and fully inform our borrowers about the product. We have always provided disclosures to them, and we do not object to providing new or revised disclosures, as long as such disclosures are reasonable and accurate.

However, we believe the proposed disclosures are inaccurate and misleading to consumers. The tone of the disclosures is also unduly negative and alarmist. Some of the disclosures of most concern are:

1. ?If you already have enough insurance or savings to pay off this loan if you die, you may not need this product.?

Such a statement is inconsistent with the advice given by financial planning experts that most American families need more, not less, life insurance. And consumers agree. In a recent survey, 50% of households felt they needed more life insurance.

Thank you
Sincerely,

Kathy Wilson
Honor Credit Union