



December 22, 2010

Janet L. Yellen, Vice-Chair
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, 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
Docket No. R-1390

Dear Vice-Chair Yellen:

I am writing to express my concern regarding the proposed changes to credit insurance disclosures under Regulation Z and the Truth-in-Lending Act, on behalf of Firstmark Credit Union, a \$700M institution with 90,000 members located in San Antonio, Texas.

Negative Language: Firstmark Credit Union has always supported truthful and appropriate disclosures for both the edification and information afforded our members; however, the language in the proposed change is at best overly complicated and misrepresentative, and at worst, so negative and convoluted that it will almost certainly lead to misconception and rejection by any member presented with it.

Disservice to Members: To those who do not already subscribe, have access, or even qualify for these products elsewhere, we are able to provide much-needed protection. To those with existing products from other sources, we offer an alternate option which allows these members to make their own choice.

We are opposed to any disclosure which would discourage either of these groups to purchase adequate protection during those life events that are most stressful for their families, exposing not only the member, but perhaps millions to needless financial risk. Further, we believe the language misrepresents the cost and value of the coverage provided.

State Matter: In this age of frenzied regulation overhaul, the lines between federal and state roles seem to be blurring. Insurance is clearly the state's responsibility and all regulation relating to it should remain within the state's domain. Requiring a complicated federal disclosure alongside the required state disclosure may actually confuse the consumer, who would then be in jeopardy of making an ill-informed and potentially disastrous financial decision.

As to the value our members receive from this coverage, Firstmark is on track this year to return 83 cents of every dollar in the form of payment protection to our members.

We respectfully urge you to take these concerns, and the concerns expressed by hundreds of other credit unions and their members, under serious consideration when deliberating any new changes.

Sincerely,

Gregg N. Thorne
Senior Vice President
Firstmark Credit Union