

From: "kmaness" <kmaness@aafesfcu.org> on 10/10/2007 11:15:03 AM

Subject: Truth in Lending

Protecting Credit Unions and Promoting Their Growth, Strength, and Unity

October 10, 2007

Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW.
Washington, DC 20551

RE: Docket No. R-1286

Dear Sirs,

Thank you for the opportunity to comment on the proposed amendments to Regulation Z (Truth in Lending). My comment is in reference to the changes proposed to the Open Ended Multi Feature loans.

The members of our credit union, AAFES FCU, are all over the world. Our field of membership consists of 6700 members of the Army and Air Force Exchange Service who are stationed anywhere you'd find an American Soldier. They may be on a flat bed truck in the Afghan desert or in Germany working in the PX. They rely on us to meet their financial needs including loans from around the world.

Because of the nature of their work, our members would find it difficult, if not impossible to come into the credit union once they are deployed. While they attempt to manage their financial needs when they are home, life doesn't always work that way. We've had a member whose daughter was killed in Germany and he called the credit union for a loan for funeral expenses in Germany. Because he had already signed up for an open-ended multi feature loan, we were able to meet his need. An elderly house bound member who needed a loan for back taxes was able to arrange for the loan over the phone because of her existing open-ended multi featured loan.

We've been administering these loans for 25 years without a single complaint from our members all over the globe. They rely on us to come through for them in urgent situations with a mere phone call. We have a very low rate of defaults on this type of loan, no complaints, and we are providing a critical service to our members - which is our mission as a credit union. Changes to the program will not only adversely affect our members, but they will increase the cost of making loans.

On behalf of our members, I'd urge you to consider the needs of those who serve our soldiers and the challenges they face in accessing great rates when they need it most. Open-ended multi featured lending is working and is something our members and we rely on.

Sincerely,

Cheryl Gibson
President
AAFES FCU

