

From: "Greg Storch" <gstorch@usecuweb.com> on 10/11/2007 01:25:01 PM

Subject: Truth in Lending

Dear Sir,

I wanted to address the changes you have proposed in open-end lending. Please excuse my grammatical errors but I have recently experienced a stroke and do not type as well as I used to. However, this is to important to ou 15,000 members to not speak to you. Credit Union members have chosen a cooperative non-profit institution over for profit share holder owned institutions. Consequently they anticipate being more than a customer being a member who has a on going relationship with the credit union and one which is convenient, accessible and only the distance to their phone, or computer. They do not want to have a limited closed end relationship but rather an opened-ended one. The present structure of individual subaccounts under a master plan disclosing all rates in effect at the time and giving notice in advance to all borrowers in advance of their taking effect is superior in every aspect to what you have proposed. You made need to segregate credit card lending from open-end lending but it would be a disservice to millions of people to change the existing system. For millions of credit union members to require closed end structures would be terrible. The proposal that each subaccount be reusable flies in the face of reality. A car loan depreciates particularly in the first 36 months if you offer 100% financing are require a down payment the member either has no money available are all loans of that type become 100 %, similarly boats, share secured, cd loans etc. The changes proposed would dramatically increase the cost, documentation requirements forcing many small and mid sized shops to close their programs to the detriment of member service. Members who have had a convenient and trusting relationship with their credit unions will be the loser, they sought a convenient relationship and found it lost.

Greg Storch

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