



May 26, 2005

Proposed Rule for FDICIA Disclosures, Matter No. R411014  
Federal Trade Commission/ Office of the Secretary  
Room H-159 (Annex A)  
600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20580

Secretary:

Communicating Arts Credit Union is \$42 million in assets and principally serves persons employed in printing, publishing, broadcasting, advertising, and other arts and media fields. We have been privately insured since prior to June 19, 1994. In 1994, we complied with the requirements of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA), by mailing three sequential notices to our then-current members, seeking their signed acknowledgments recognizing the credit union's lack of federal share insurance.

During the second half of 1994, we also mailed notices to our then approximately 6,000 members; while we no longer have a record of the exact costs associated with those mailings, the expense involved printing and mailing the notices, and receiving and recording returned notices. Since that time we have made every effort to comply with the acknowledgment of disclosure requirement of FDICIA with respect to new members joining our credit union.

Unfortunately, records supporting our compliance with FDICIA in 1994 have been destroyed. We believe that your agency's proposed requirement to obtain such notices over again, due to the lack of proof of our earlier compliance, would impose an excessive regulatory burden and cost on the credit union and, by extension, on our member-owners. Given the lack of regulatory guidance by the FTC over the last 14 years, we feel the time period for all forms of compliance with the acknowledgment provisions should commence with the future effective date of any rule promulgated by the FTC.

Thank you for your consideration.

Sincerely,

Catherine Herring  
President/CEO