



May 31, 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:

Our credit union has \$64,573,872 in assets and has approximately 8079 members. As a privately insured credit union, we are particularly concerned about the FTC's proposed rule regarding consumer disclosure as it affects privately insured credit unions.

Over the last ten years, our credit union has merged two other credit unions allowing approximately 1,365 consumers to continue to receive the benefits of a credit union. During each merger, we complied with the requirements of the National Credit Union Administration's (NCUA) Rule §708b, which specifically mandates that a merging credit union's members vote on the combined propositions of merging and converting to a non-federally insured status. Following each merger, members of the merged credit union were also notified in writing of the change in their insured status.

By nature, mergers are intended to consolidate businesses without interrupting services to the consumer. In mergers involving federally insured banks or credit unions, the merger normally is transparent, and members continue to receive the same (or expanded) services that they previously received without the need to re-apply or sign new membership forms.

Although we may occasionally have the opportunity to re-issue new signature and acknowledgment cards to members of a merged credit union, most continue to receive services under the agreements of their previous credit union relationship. These members are, however, continually informed of the lack of federal insurance through our compliance with other disclosures required under the FDIC Improvement Act of 1991 (FDICIA).

Since FDICIA previously failed to address members gained as a result of a merger between a federally insured credit union and a privately insured credit union, we request that the FTC exclude this class of new members from having to sign an acknowledgment of disclosure with the surviving privately insured credit union.

Respectfully submitted,

Don Steinman
Vice President Finance