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June 1, 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, with 27,670 converted from federal to private share deposit insurance in February, 1999 and followed the comprehensive requirements of the National Credit Union Administration (NCUA), Rule §708b, in doing so.

NCUA's rule specifically required us to inform each member in writing that the credit union was soliciting their vote to convert from federal to non-federal insurance, and that an approved conversion would result in their accounts no longer being federally insured or guaranteed by the federal government. After the membership vote was certified, and the conversion approved by NCUA, each member was provided with another written notice that their accounts were no longer federally insured.

Since converting to private insurance, our credit union has made every effort to comply with the requirements of consumer disclosure under the FDIC Improvement Act of 1991, including obtaining signed acknowledgments of disclosure from all new members.

We believe that we have adequately informed our members of their insured status, and to require us to solicit more than 27,000 members for the purpose of obtaining 100% compliance in terms of new signature or acknowledgment cards would be unreasonable, impractical and require an excessive amount of time and expense in attempt to implement this unreasonable proposed provision.

Meanwhile, refusing deposits from members lacking such signed acknowledgments would dramatically impact our members, disrupt the automated payment system and severely jeopardize the financial stability of our credit union.

We ask that you reconsider this specific requirement in your final regulation, in light of the comprehensive disclosures required under NCUA's Rule §708b.

Respectfully submitted,

Linda Tashiro
Sr. Vice President/COO