



## *Kane County Teachers Credit Union*

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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:

Kane County Teachers Credit Union serves 25,500 member accounts of members that live or work in the community charter including DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, and Cook County west of Route 83 since 1998 and was originally chartered in 1937. The credit union became privately insured before June 19, 1994.

In 1994, in order to comply with the FDIC Improvement Act of 1991 (FDICIA), we mailed three sequential notices to approximately 9,196 members, seeking their signed acknowledgment that they knew their credit union was not federally insured, and if it failed, the federal government did not guarantee they would get their money back. Since 1994, we have required all new members to sign acknowledgments containing the same disclosure.

Unfortunately, the records proving our compliance with the 1994 law were destroyed in accordance with the credit union's records retention policy, and to require us to obtain these notices again would impose a significant operating and financial burden to our credit union.

Given our past and ongoing compliance with the acknowledgment of disclosure provision of FDICIA, we request that the FTC in its final rule, exempt all credit unions privately insured on June 19, 1994 -- who now lack proof of compliance with the three mailing alternative -- from securing signed acknowledgments from all members.

In 1983, NCUA levied a special assessment on its credit unions. Our Board of Directors wanted another option available to our credit union. The insurance fund was operating under the name of National Deposit Guaranty Corporation, now known as American Share Insurance. I would say by our growth in membership and shares the private share insurance program is had a great effect. We would like to think that is one of the biggest reasons.

Why would Federal credit unions not be required to inform their members they are not covered over the \$100,000 limit? Should they also be required to change their disclosure also?

Respectfully submitted,

Craig M. Bradley  
President