

CANTON POLICE AND FIREMEN'S CREDIT UNION, INC.



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May 24, 2005

**Proposed Rule for FDICIA Disclosures, Matter No.R411014
Federal Trade Commission/Office of the Secretary
Room H-159 (Annex A)
600 Pennsylvania Ave NW
Washington , DC 20580**

Secretary:

I am writing in opposition to your agency's proposed rule governing consumer disclosure requirements for privately insured credit unions. We are truly concerned over the lack of definition for "all advertising" under the rule.

The Canton Police and Firemen's Credit Union, a state-chartered credit union in the state of Ohio, has been privately insured since 1941, and has been serving the Canton Police and Firemen since 1941.

Since the passage of the FDIC Improvement Act in 1991, we have attempted to comply with all aspects of the law. Unfortunately, we have been unsure as to what was the law's intent with the requirement that our credit union provide a notice that it is not federally insured on "all advertising" Lacking regulatory guidance since 1991, we turned to general requirements that federally insured credit unions, banks and thrifts follow when they disclose the presence of federal insurance.

Clearly, it is impractical to post such notices where it is not physically conducive; such as pens, caps, shirts, name badges, etc. For example, it makes no sense to print a shirt that displays "ABC Credit Union" on the front and a statement that "this institution is not federally insured." on the back. Also, a small pen barely provides enough space for the name of the credit union, yet alone, a statement regarding the form of share insurance. Also to have a credit union post this disclosure on an outside building sign is anti-competitive and ineffective. To resolve this obvious dilemma, both the NCUA and the FDIC have established somewhat similar lists of deposit insurance disclosure statement exemptions. We would request that the FTC give due consideration to these regulatory exemptions/exclusions in finalizing its rule affecting privately insured credit unions (NCUA Rule 740 and FDIC Rule 328)

Regarding printed materials, we do see the logic in posting such disclosure in member newsletters, our web site, and other printed materials that promote savings account investments or display current or promotional interest rates on savings. However, we see no reason to include such disclosures on loan promotional materials, such as VISA card or mortgage loan advertisements. These materials have no consequence on a member's depository relationship with the credit union. To clarify this issue we would propose that the final rule contain language requiring such disclosure only on printed or electronic materials (websites or broadcast media) that mention share or deposit accounts or deposit account rates.

We currently inform our members and they are fully aware we are not federally insured and if our institution fails the Federal Government does not guarantee that depositors will get back their money.

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Additional rules governing consumer disclosure requirements for privately insured credit unions is over-kill, confusing to my members, and a waste of their and my hard earned income.

Thank you for considering our input on this important subject.

Respectfully submitted,

CANTON POLICE AND FIREMEN'S CREDIT UNION

Susan D. Flickinger, ~~Ma~~nager/CEO

