



June 13, 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

Dear Secretary:

Our credit union serves 2031 that work for the Lutheran church community. The credit union has been privately insured since November 2000, and is concerned over the agency's proposed rule governing consumer disclosures and what constitutes a "similar instrument evidencing a deposit." The agency has asked for public comment on this specific subject.

We understand that the FDIC Improvement Act of 1991 (FDICIA) requires we disclose the absence of federal insurance and the fact that the federal government does not guarantee that depositors will get their money back if we fail, on all periodic statements of account, signature cards, passbooks and certificates of deposit. Since the law's passage, we have attempted to comply with this provision, and we believe we have the ability to control such compliance. However, if the FTC's interpretation of FDICIA concludes we must also place this disclosure on all deposit slips, tickets or receipts, we are convinced that 100% compliance would be impossible and the cost of compliance to the consumer/member prohibitive.

Credit union members usually order deposit slips in conjunction with ordering checks. Numerous companies provide such printing services for a fee. While the credit union offers specific sources of supply for checks and deposit slips, many of our members buy these services on-line or from other unaffiliated vendors. Also, other than color choices in checks, most vendors don't offer options for deposit slips. To request custom-ordered deposit slips from any vendor – assuming such service is even available – would be more costly to the consumer. Furthermore, if the consumer fails to secure such deposit slips, it would create an undue regulatory burden on the credit union to police this disclosure. Non-compliance would be pervasive.

We suggest that such disclosures would be redundant, cost-prohibitive and unnecessary given the other forms of consumer disclosures required under the statute. Also, we cite the fact that the NCUA specifically exempts deposit slips, tickets or receipts from containing the required disclosure regarding the presence of federal share insurance.

Alternatively, we propose that privately insured credit unions be required to include such disclosure only on deposit slips available to members within the lobbies of main offices and branches of privately insured credit unions, and whose printing is controlled by the credit union. Shared branches and credit union centers should be exempt from this requirement so as to minimize confusion among credit union members of federally insured credit unions using such shared or common facilities owned and/or leased by privately insured credit unions.

Respectfully submitted,

C. R. Oldenburg
President/CEO