



June 14, 2005

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

Dear Secretary:

Our credit union has been privately insured for approximately five years and currently has 13,000 members that we serve. We have concerns with the agency's proposed rule for consumer disclosures and we wanted to provide comment on the subject.

We are very familiar with the requirements of the FDIC Improvement Act of 1991 and have made every effort to comply with the disclosure provisions of the Act. However, if we are required to place disclosures on deposit slips, tickets or receipts I can assure you that total compliance would be impossible and the costs prohibitive. The reason for this is that our members do not always order their checks and deposit slips through the credit union which means that we have no control over this process. In addition, the costs for custom-imprinted deposit slips, assuming the option would even be available, would certainly be prohibitive. Alternatively, we would propose that privately insured credit unions be required to include the disclosure only on deposit slips used in lobbies of the credit union. Since credit unions enjoy the benefits offered by shared branches, these facilities should be exempt from the requirement to avoid confusion on the part of members of privately insured credit unions and those of federally insured credit unions.

Our other concern relates to the effect the proposed rule would have on future mergers between privately insured and federally insured credit unions. It appears as though members of a non-surviving, federally insured credit union would be considered "new members" under the proposed rule. If that is the case, then the continuing, privately insured credit union would not be able to accept deposits from these members after the merger unless a signed acknowledgment has first been obtained. This would not only be an unmanageable task but an impossible one under most circumstances. Continuing credit unions should have the option of sending the three sequential notices to new members gained through the merger.

I appreciate the opportunity to provide these comments on the proposed rule.

Sincerely,

Gene Roberts
President & CEO

