



October 25, 2004

Federal Trade Commission  
FACTA Prescreen Rule  
P.O. Box 1030  
Merrifield, VA 22116-1030

Subject: FACTA Prescreen Rule, Project No. 411010

Dear Sir or Madam:

Boeing Employees' Credit Union (BECU) appreciates the opportunity to provide comments on the FACTA Prescreen Rule. BECU is a state-chartered, federally insured credit union with assets of \$4.8 billion and a membership base of over 387,000 and participate in prescreened offers of credit and insurance.

In opening, while we are always supportive of full and accurate disclosures, we feel this proposal is going too far in determining how a business' solicitation should look and is putting unnecessary constraints on businesses.

Mandating the short notice to use 12-point font places restrictions on the business' product presentation. This restriction will force businesses to present greater emphasis on opting out than it does on the product itself. We feel that "prominent, clear, and conspicuous" is enough of a description on how to display the notices' verbiage. However, we do agree that the font size should not be any smaller than 8 point. We currently place a statement on the bottom of the front page of our prescreened offers that instructs the consumer to review the reverse side for important information about this prescreened offer. The reverse side complies with the FCRA verbiage requirements. Additionally, our annual privacy notice provides our members instructions on how to opt-out of receiving our marketing and prescreened offers.

We do agree that the "layered" notice requirement will provide a simple and easy format for disclosing the required information and will not require a lot of space. The intent of positioning the short notice on the first page of the principal promotional document in the solicitation does not need additional clarification or specifics. We believe that there should be a safe harbor for using the model language for the short notice and placing it on the first page of the document. Otherwise, this potentially could be a gray area for future debate. In our opinion, the principle document should be the one that addresses the consumer directly with the offer. Attachments, inserts and other items should be excluded from the principle document.

Additional information should not be allowed in the short notice, unless it is optional and it pertains to how the consumer can opt-out. We feel the verbiage may need to be clearer that if the consumer chooses to opt-out, they are opting out of all prescreen offers from the credit bureaus and not only ones from that particular business. The information prescribed to be in the long notice is simple and easy to understand. Again, it may just need more emphasis on what the consumer will actually be doing if they opt-out. We feel only the Consumer Reporting Agency (CRA) listed in the notice should be the one that was used for the prescreen, not all of the nationwide CRAs.

We have concerns with the effective date being 60 days after the rule is final. We feel that the effective date should be 180 days from the date of the final rule. This gives adequate time for businesses to review their marketing strategy and corresponding materials. For example, our mailings are spaced apart so that the impact of response is distributed over a period of time. The final text of our prescreen items need to be completed at least 60 days before the first mail drop. The staggered mail deliveries mean that the items must be generated as much as 105 days before it arrives at a member's mailbox. In our operation, 60 days would not allow enough time to change the information on our prescreens currently being scheduled for delivery.

Thank you for the opportunity to respond to the proposal. We look forward to the final outcome.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary J. Oakland". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gary J. Oakland  
President and CEO

A handwritten signature in black ink, appearing to read "Joe Brancucci". The signature is cursive and somewhat stylized, with a large initial "J" and a long horizontal stroke.

Joe Brancucci  
Vice President of Lending