

June 8, 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 nearly 1600 members that live or work in Lockport Township, Lemont Township, or Homer Township and those areas of Crest Hill and Romeoville which are in Lockport Township. The credit union has been privately insured with ASI for over 20 years and is concerned with 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.

I understand that the FDIC Improvement Act of 1991 (FDICIA) requires that we disclose 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. Our credit union has attempted to comply with this provision, and we believe that we have the ability to control such compliance. If the FTC's interpretation determines that we must also place this disclosure on all deposit slips, tickets or receipts, we are certain that 100% compliance would be nearly improbable and cost prohibitive to our members.

Our members receive their deposit slips when ordering their checks. Despite the fact that our credit union offers specific sources for checks and deposit slips, a majority of our members buy these services on-line or from other sources. Most vendors don't offer options for deposit slips; they are simply included with the check themselves. Assuming that custom-ordered deposit slips are even available – would be costly to our member.

The requirement for these disclosures would be repetitive, expensive and frankly unnecessary given the other forms of consumer disclosures already required under the statute. Also, it should be noted that NCUA specifically exempts deposit slips, tickets or receipts from containing the required disclosure regarding the presence of federal share insurance.

It seems appropriate that privately insured credit unions be required to include this disclosure only on deposit slips available to our members within the lobbies of main offices and branches of privately insured credit unions, and whose printing is controlled by the credit union. Also shared branches and credit union centers should be exempt from this requirement to minimize the confusion amongst credit union members of federally insured credit unions using shared facilities of privately insured credit unions.

Respectfully submitted,

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