



MISSOURI CREDIT UNION ASSOCIATION



August 19, 2004

Federal Trade Commission/Office of the Secretary  
Room H-159 (Annex H)  
600 Pennsylvania Ave., NW  
Washington, DC 20580

RE: The FACT Act Disposal Rule, R-411007

On behalf of Missouri's state chartered credit unions we would like to comment on issues in the proposed rule as follows:

**Supplying the opt-out notice**

Credit unions would prefer to have the option of sending the opt-out notice, or having their affiliates. For smaller credit unions with limited staff, delegating this responsibility to an outside source would be much more cost-effective.

**Definitions**

The definition of "eligible information" is clear, as are the terms "affiliate," "reasonably understandable" and "designed to call attention." However, we feel the requirement of opt-out notification is an undue regulatory burden on small business. We also understand that this is directed by the statute, and not up for discussion in this context.

**Opt-out Notices**

The ability to include the opt-out notice with GBLA required privacy notices is a benefit in that it will reduce the number of notifications a credit union is required to provide a member. However, keeping the opt-out in effect for five years will require a credit union to institute procedures that will be a significant regulatory burden for small credit unions.

The various circumstances under which credit union members can opt-out would require that the credit union notify members whose agreements are about to expire. In addition, if the credit union has a relationship with more than one CUSO the situation is further complicated. If a credit union is a member of a shared CUSO that provides indirect lending and has it's own CUSO for other products, the amount of record keeping is duplicated.

We strongly suggest that to enable credit unions to comply more easily with the regulation that they be allowed to incorporate any notice(s) with the next annual GLBA privacy notice.

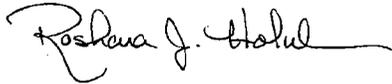
*Your Best Resource!*

2055 Craigshire Drive • St. Louis, Missouri 63146-4009 • T: 314-542-0555 • F: 314-542-1387  
6220 Blue Ridge Cut-Off, Suite 300 • Kansas City, Missouri 64133-3730 • T: 816-313-0005 • F: 816-313-0011  
223 Madison Street • Jefferson City, Missouri 65101-3202 • T: 573-636-1010 • F: 573-636-1011  
1-800-392-3074 • www.mcua.org

The ability to make the opt-out notification permanent, unless revoked, would be preferable to most credit unions. This would be easier to track than making the opt-out for the minimum of five years. The five-year expiration could force dealing with daily expirations of opt-out notices.

Thank you for the opportunity to comment on the proposed rule. We urge you to give consideration to issues in the proposed rule that would create an additional regulatory burden for small credit unions and create considerable additional operating expense for large credit unions.

Sincerely,

A handwritten signature in black ink, reading "Roshara J. Holub". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Roshara J. Holub  
President/CEO