

June 1, 2009

Federal Trade Commission/ Office of the Secretary

Room H-135 (Annex A)

600 Pennsylvania Avenue, N.W.

Washington, D.C. 20580

Re: Supplemental Proposed Rule for FDICIA Disclosures, Matter No. R411014

Dear Sir/Madam Secretary:

The purpose of my letter is to register my opposition and urge change to your agency's supplemental proposed rule governing consumer disclosure requirements for privately insured credit unions as they affect signage in shared branches.

Credit Union 1 is a privately insured, Illinois corporation, serving over 80,000 members not only in Illinois but throughout the country and even overseas. Credit Union 1 was originally chartered as a military credit union serving the airmen from the Chanute Air Force Base in Rantoul, Illinois. Once the base closed members were essentially scattered all over the country.

Shared branching opens up over 3,700 additional locations for our members. Our members are extensive users of the shared branch network through the national CO-OP network. During 2008 our members performed over 22,000 transactions through the shared branch network including \$7 million deposited and \$12.3 million withdrawn. Members from other credit unions performed at Credit Union 1 owned branches over 45,000 transactions depositing over \$25 million and withdrawing over \$14 million.

For the FTC to require us to make our federally insured counterparts in the network post a sign in their lobbies stating that the credit union is not federally insured, would not only be very confusing but impossible to achieve. It is my understanding that this issue was already addressed by NCUA when they revised their rule 740.4(c) which governs the insurance disclosures at federally insured credit union facilities where deposits are received from members of both privately insured and federally insured credit unions, effectively informing all consumers that not all credit unions participating in the shared branching network are federally insured.

In section 505 of the FSRAA, Congress clearly decided to statutorily exempt ATMs and POS terminals from the definition of "premises" including credit union centers, service centers, or branches servicing more than one credit union.

Shared branching has become a very important part of our strategy to serve our members who do not have easy access to one of our own branches, and has become a cost effective way to continue to serve our members in dispersed locations.

Our members already receive a wide variety of disclosures regarding the lack of federal insurance and requiring disclosure at over 3,700 locations that one of our members may use is impractical.

I urge you to re-examine your position on this matter and conclude that the disclosure only apply to those privately insured credit union branches subject to regulation under FDCIA.

Thank you very much for your consideration on this very important matter.

Sincerely,

Paul Simons, President/CEO

Credit Union 1