



National Association of Federal Credit Unions

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June 25, 2008

Mary F. Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

RE: Comments on Proposed Rulemaking for Part 740; The Official Advertising Statement

Dear Ms. Rupp:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents the interests of our nation's federal credit unions, I am writing in response to the National Credit Union Administration's (NCUA) request for public comment on the proposed rulemaking regarding the official advertising statement.

Specifically, NCUA is proposing to revise the requirements for use of the official insurance sign and official advertising statement to allow insured credit unions to use either (1) the basic form of the official advertising statement, (2) a shortened form alone, or (3) the official sign alone in advertisements.

NAFCU commends the agency for its action to provide federally insured credit unions (FICUs) with greater flexibility in complying with Part 740, NCUA's advertising rule. Our member credit unions are virtually unanimous in their support for the elimination of the requirement that the shortened advertising statement, "Federally insured by NCUA," be accompanied by a reproduction of the official insurance sign. Allowing insured credit unions the option to use the official sign alone, and to appropriately alter the font, will provide FICUs with more compliance alternatives while preserving the informational value of the disclosure for consumers. This added flexibility will allow FICUs to better meet cost needs in delivering advertising messages to members.

Space is often very limited on advertisements, particularly with the increased use of technology, such as the Internet, digital mediums, and other emergent delivery platforms like email blasts and text messaging. Increased options for use of the official logo and text will help FICUs meet design challenges that may be presented by the disclosure requirement. NAFCU

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applauds NCUA for taking this positive step to review and simplify the requirements for the official advertising statement.

However, we would like to suggest that NCUA also consider a further condensed advertising statement for even greater parity to the Federal Deposit Insurance Corporation (FDIC) requirements. FDIC-insured depository institutions are permitted to use the short title "Member FDIC" or "Member of FDIC" at their option as the official advertising statement. *See* 12 CFR § 328.3. Similarly, FICUs should be permitted to use a comparably brief abbreviated title, such as "NCUA Insured" or "Insured by NCUA."

NAFCU appreciates the opportunity to share its views on this proposed rulemaking. Should you have any questions or require additional information please call me or Pamela Yu, NAFCU's Associate Director of Regulatory Affairs, at (703) 522-4770 or (800) 336-4644 ext. 218.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Dan Berger". The signature is fluid and cursive, with a large initial "B" and "D".

B. Dan Berger
Senior Vice President of Government Affairs

BDB/py