

SouthTrust Bank
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OFFICE OF THE COMPTROLLER OF THE CURRENCY
DISSEMINATION BRANCH

November 30, 2000

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Ms. Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th and C Streets, NW
Washington, DC 20551
Attention: Docket No. R-1082

Office of the Comptroller of the Currency
Communications Division
250 E Street SW
Washington, DC 20219
Attention: Docket No. 00-20

Mr. Robert E. Feldman
Executive Secretary, Attention: Comments/OES
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Manager, Dissemination Branch, Information Management and Services Division
Office of Thrift Supervision
1700 G Street NW
Washington, DC 20552
Attention Docket No. 2000-81

Re: Joint Proposed Rule: To Implement the Fair Credit Reporting Act Notice and Opt Out Provisions
Governing the Sharing of Information Among Financial Institution Affiliates

Ladies and Gentlemen:

SouthTrust Bank ("SouthTrust") appreciates the opportunity to comment on the proposed interagency regulation concerning the Fair Credit Reporting Act (FCRA) Notice and Opt Out provisions on sharing of consumer information among financial institution affiliates. SouthTrust is a regional bank with over 600 offices located in eight southeastern states. SouthTrust has assets of approximately \$44 billion and is the 22nd largest bank in the United States. SouthTrust affiliates include SouthTrust Mortgage Corporation, a mortgage loan company, SouthTrust Securities, Inc., a securities broker/dealer, SouthTrust Life Insurance Company, a life insurance underwriter, and SouthTrust Insurance Agency.

This letter will address provisions of the proposed regulation upon which specific comment was requested, in addition to other aspects of the proposed regulation on which further guidance is needed.

Section 222.3--Definitions

Clear and Conspicuous

SouthTrust is concerned about compliance with the "clear and conspicuous" standard of the Fair Credit Reporting Act since the FCRA opt out notice is now included within the Gramm-Leach-Bliley Act privacy notice. SouthTrust requests specific guidance on how to design the notice to call attention to it since it is embedded in the privacy policy notice.

Consumer Report

The proposed regulation excludes from the definition of consumer report "information solely as to transactions or experiences" but does not define those terms. SouthTrust requests a clear definition, with examples, of what constitutes transaction or experience information.

Section 222.5--Contents of Opt Out Notice

SouthTrust comments that a financial institution should not be required to wait 30 days in every instance before sharing consumer information with its affiliates. A 30 day time delay results in a substantial burden for SouthTrust to offer other products or services made available by our affiliates to our customers. SouthTrust further maintains that it should be discretionary, not required, to disclose in the FCRA notice that a consumer may opt out at any time.

In proposed paragraph (d)(2), the categories of information differ from those in Regulation P. SouthTrust requests clarification and guidance on how these two provisions may be applied consistently, to reduce the compliance burden and to avoid customer confusion.

Section 222.10--Time By Which Opt Out Must Be Honored

This section provides that if a customer opts out, a financial institution "must comply with the opt out as soon as reasonably practicable after you receive it." SouthTrust comments that the agencies should establish what constitutes a "reasonably practicable" time period in order to comply with the customer's opt out request. For large financial institutions such as SouthTrust, a fixed number of days ranging from 6 to 8 weeks would be reasonable.

Compliance Issues with Effective Date of Proposed FCRA Regulation

For Regulation P, the compliance deadline is July 1, 2001. To meet this deadline, SouthTrust and its affiliates have incurred substantial compliance burdens and increased costs in reviewing information on all relationships with nonaffiliated third party vendors; drafting and printing the privacy notice; implementing the initial and annual privacy notice requirements; developing a

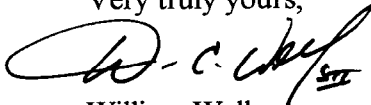
method of delivery for the initial and annual notice; revising the process to store pertinent information on our computer systems; and training employees. From an operational standpoint, SouthTrust and its affiliates anticipate providing the privacy notice to new and existing customers starting in first quarter 2001.

Since the comment period for the proposed FCRA regulation ends December 4, 2000, SouthTrust maintains that a final FCRA regulation may not be issued until the end of January or February 2001. Considering this potential time frame, possible revisions, reprinting and redistribution of the privacy notice, and retraining of employees, it would then be impossible for SouthTrust and its affiliates to comply with the July 1, 2001 deadline imposed by Regulation P.

In light of the above issues, SouthTrust comments that additional time, beyond July 1, 2001, is necessary to enable a financial institution to comply with the final FCRA regulation. An overall one year extension of time is recommended for compliance with the final FCRA regulation.

In conclusion, we thank you for the opportunity to comment on this proposed interagency regulation. We hope these comments and recommendations will be useful in creating the final version of the rules. If you have any questions concerning our comments, please call me at (205) 667-5617.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Wells', with a stylized flourish at the end.

William Wells
Senior Vice President
Risk Assessment

cc: Heather Thornburgh
Andrea Pope
Judy Holt