

June 15, 2005

Federal Trade Commission/Office of the Secretary
Room H-159 (Annex A)
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Federal Trade Commission; Proposed Rule for FDICIA Disclosures, Matter No. R41104,
16 CFR Part 320; 70 Federal Register 12823, March 16, 2005.

Dear Sir or Madam:

Corporate One Federal Credit Union appreciates the opportunity to comment on the Federal Trade Commission's proposed disclosure rules for non-federally insured depository institutions.

By way of background, Corporate One FCU is a corporate credit union that primarily serves the credit unions in Ohio, Indiana, and Illinois. And as such, several of our members are privately insured credit unions that will be subject to the proposed rule. As their corporate credit union we provide certain payment systems functions and services, namely ACH and Wire Transfer to those credit unions that will be directly affected by this proposed rule, and we have identified several areas where there may be negative consequences in the payments system.

The purpose of this comment is to draw attention to the unintended consequences that both the payment systems and the consumer may experience from the implementation of the proposed requirements found in Section 320.5.

Section 320.5 establishes a prohibition for "receiving any deposit for a new or existing depositor unless the depositor has signed a written acknowledgement". As we anticipate that not all consumers will sign an acknowledgement, we anticipate that areas such as ACH and Wire activity will be negatively affected.

Consumers actively use, and credit unions actively encourage their members to use, the ACH system for such important items as the direct deposit of their payroll, Social Security payments, government benefits and payments, retirement benefits from private companies, tax refund checks, etc. Credit union members also receive wire transfers for deposit to their accounts with the expectation that they will receive good funds on an expedited basis. The funds sent by ACH or Wire were sent with an understanding that they would be available to the member to use for such items as bill payments, loan payments, living expenses, etc. and any failure to receive the funds in a timely manner would be potentially damaging to a consumer, and to the public trust in these payment systems.

We respectfully request that you consider removing the requirement found in Section 320.5 that would require that a consumer's account be blocked from "receiving any deposit for a new or existing depositor unless the depositor has signed a written acknowledgement".

Very truly yours,

Lee C. Butke
President/CEO