

June 8, 2005

Proposed Rule for FDICIA Disclosures, Matter No. R411014
Federal Trade Commission/ Office of the Secretary
Room H-159 (Annex A)
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Secretary:

Our credit union is a \$500 million, federally-insured credit union serving approximately 40,000 in Southern California.

I am writing to comment on the agency's proposed rule governing consumer disclosures by privately insured credit unions regarding the absence of federal share insurance and my concern as to the rule's effect on our members.

My concern relates to the prohibition against privately insured credit unions accepting deposits from members who have not signed a written acknowledgment of disclosure with the privately insured credit union. We have many members in our area that have financial relationships with both a privately insured credit union and our credit union. In some instances, these members may have a loan with our credit union that is paid by a check drawn on a privately insured credit union. Should these members have their paychecks or other deposits/credits refused by the privately insured credit unions due to the lack of a signed acknowledgment on file, then we would be forced to dishonor their checks or electronic payments to us, costing our members needless fees and serious disruption in their personal financial affairs.

I am asking the FTC to give full consideration to the consequences of a final rule that would prohibit privately insured credit unions from accepting deposits from members that do not have a signed acknowledgment of disclosure on file.

Thank you for your consideration.

Respectfully submitted,

Mrs. Dvir; VP&CFO
TCCU, Chatsworth California