



May 25, 2007

Federal Deposit Insurance Corporation
550 17th Street, NW
Mail Stop 1-5
Washington, DC 20429

Delivered Via E-mail: *Comments@FDIC.gov*

RE: Model Privacy Form

Ladies and Gentlemen:

World Financial Capital Bank (WFCB) is pleased to submit the following comments in response to the agency's request published in the March 21, 2007 Federal Register.

A. Content of the Model Form

Q1. The agency has requested a comment on whether a commenter believes particular aspects of the form are not clear and conspicuous or comprehensible; and, if so, identify those aspects and explain in detail the basis for that conclusion.

It is our opinion that requiring a financial institution to disclose every type of information that all financial institutions can collect, rather than the types of information each specific financial institution is legally permitted to collect, would be confusing, misleading and inaccurate to the financial institution's customer. For example, the model privacy notice, as proposed, discloses that the financial institution could collect information when a customer uses a debit card. Specific types of financial institutions have legal restrictions that prohibit offering some products, such as debit cards, and from this disclosure a customer might erroneously infer that a product is being offered. We believe a better approach would be to give the financial institutions the flexibility to disclose the types of information that are applicable to them. Also, many financial institutions limit their activities and generic industry wide examples could cause customer confusion.

Q2. The agency has requested a comment on whether financial institutions can accurately disclose their information sharing practices by using the standardized provisions and vocabulary in the proposed model form, including whether the proposed disclosure table provides a financial institution with sufficient flexibility to disclose its sharing practices, or any additional opt-outs it offers, including a detailed explanation of why or why not.

It is our opinion that the standardized provisions and vocabulary in the proposed model form would not permit financial institutions flexibility to accurately disclose sharing practices if the financial institution is required to make additional state, federal or international disclosures. Under the proposed model, if the financial institution is required to provide additional disclosures, the financial institution would have to send an additional privacy notice to their customer ultimately causing additional cost to the institution and customer confusion.

Additionally, the proposed model requires the financial institution to repeat the financial institution's name in each text box in the sharing practices table. If a financial institution has an exceptionally long name, this requirement could cause the disclosure to look more burdensome and daunting to the financial institution's customer.

Q3. The agency has requested a comment on the extent to which modification to the opt-out form are necessary for a financial institution to describe its information practices accurately, facilitate consumer use of the opt-out form, or offer additional opt-outs, including an explanation for the modifications that could be made to page one and/or page three in accordance with legal requirements and the intent to keep the table on the first page of the form.

WFCB provides an opt-out phone number only and the proposed model form would require the financial institution to add one entire page solely for a phone number. This proposal, multiple pages, would make it difficult for customers to keep track of the privacy notice and phone number for future use. A better practice would be to place the opt-out information on the front page in the contact information section or at the bottom of the second page.

B. Format of the Model Form

Q1. The agency has requested comment on whether each page of the proposed model form should be required to be on a separate piece of paper or whether another format could also allow consumers to readily see all the information in the model form at the same time.

Requiring financial institutions to provide three separate pages would make it extremely difficult for customers to keep the notice together for future reference, while substantially increasing postage, processing and paper costs.

We estimate the increased cost from using the new form could be as much as a 157% increase in postage, a 157% increase in processing and a 490% increase in paper. Financial institutions should be permitted the flexibility to minimize their costs and resources.

Additionally, privacy notices distributed at a customer point of contact would be difficult to manage to ensure that the customer receives the accurate pages, in the accurate order. In addition to the privacy notice, at times these customers receive additional disclosures such as a credit card agreement. A more convenient and less confusing practice would be to provide the customer with a one page privacy notice with the information on the front and back that could

stand alone or be attached to an additional disclosure. The customer could easily flip the page over for additional information and not worry about page order or keeping the notice together during and after the transaction.

Moreover, if a financial institution's customer is interested in comparing two or three financial institutions' sharing practices it would be frustrating and difficult for the customer to manage three financial institutions' privacy notices. It would be far more practical and convenient for a customer to compare the front page of all three financial institutions and then flip the page to compare the next page. To compare the model as proposed, the customer would have to negotiate nine pieces of paper. We believe customers would find this impractical and frustrating.

Q3. The agency has requested comment on what size paper would be appropriate for the model form while conforming to the guidance for easily readable type font and layout.

It has been tested and confirmed that the model can be placed on the front and back of a 7 by 10 $\frac{3}{4}$ page of paper. This would allow the customer to keep the document for future use while being easily readable and keep additional costs manageable.

C. Additional Information

Q1. The agency has requested comment on the extent to which financial institutions subject to the GLB Act are likely to use the proposed model form, including a detailed explanation of why the commenter does or does not expect financial institutions to use the form.

It is our opinion that it is unlikely that the majority of financial institutions will use the model form because of the significant increased costs, inflexibility and confusion to their customers. While many financial institutions may agree that the layout is helpful and easy to understand, it doesn't provide the financial institutions the flexibility to combine the notice with other disclosures or provide accurate disclosures. In addition many financial institutions may not have the appropriate equipment to distribute the new disclosures in the format suggested in the request.

We commend the agencies for their good work in compiling the model privacy notice and agree that it is understandable and easy to read. We agree that a model privacy notice would have a positive impact; we respectfully request that you consider the aforementioned comments and suggestions.

Sincerely,

Marvin H. Corne
President & CEO