



September 8, 2006

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

Re: Advertisement of Membership
RIN 3064-AD05
71 FR 40440 (July 17, 2006)

Dear Mr. Feldman:

America's Community Bankers (ACB)¹ is pleased to comment on the Federal Deposit Insurance Corporation's (FDIC) proposal concerning advertisement of membership for all insured depository institutions.² The FDIC is proposing to revise its regulation governing official FDIC signs and advertising of FDIC membership. The proposed rule replaces the separate signs used by members of the Bank Insurance Fund (BIF) and Savings Associations Insurance Fund (SAIF) with a new sign, or insurance logo, to be used by all insured depository institutions and extends the advertising requirements to savings associations. This is one of several proposals recently issued by the FDIC to implement the Deposit Insurance Reform Act of 2005 (Reform Act).³

ACB supports the FDIC's proposal to update the insurance logo for all depository institutions in order to include the new fund name and more accurately reflect available insurance amounts. However, we are concerned with the timeline for implementation as proposed. ACB does not support the current deadline of January 17, 2007 for full compliance with this proposal, as it leaves little time for adjustments at depository institutions.

First, we understand that the FDIC wants to ensure accurate advertising within insured depository institutions. Therefore, ACB supports a January 17, 2007 effective date if applied only to site specific advertising, such as signs on teller windows or bank doors. Modifying a bank's internet pages to include the new logo and insurance information should also fall under the proposed January 17, 2007 compliance date. ACB believes that these particular items will be easy to replace or modify and will not produce a cost that is overly burdensome for most depository institutions in the near term.

¹ America's Community Bankers is the national trade association committed to shaping the future of banking by being the innovative industry leader strengthening the competitive position of community banks. To learn more about ACB, visit www.AmericasCommunityBankers.com.

² 71 Fed. Reg. 40440 (July 17, 2006).

³ The Reform Act was included as Title II, Subtitle B of the Deficit Reduction Act of 2005, Public Law 109-171, 120 Stat. 9 (February 8, 2006).

Secondly, however, many community banks serve customers that rely on paper brochures, rather than internet advertising or email, to understand available products and benefits. Therefore, most community banks carry a large amount of advertising materials in their branches to accommodate this customer need. All institutions, especially community banks, will face a large expense related to replacing all these materials and should be given more time to exhaust their existing stock.

ACB therefore suggests extending the deadline for compliance with paper materials used for advertising and explanation of benefits to at least January 1, 2008. Until that point, depository institutions should also be given the discretion to include some type of insert or sticker that will convey the new information without forcing the bank to reprint all of its existing marketing materials. However, all newly printed marketing materials should include the new logo and updated information. This will give depository institutions more time to use up their existing stock of advertising materials and may lessen the impact such an expense will have on their bottom line.

Additional time for compliance concerning such advertising materials will enable institutions to factor in the costs associated with printing new materials into their marketing or compliance budgets for 2007. ACB does not believe that the benefits of such immediate accuracy with regard to paper advertising materials outweigh the certain costs institutions will be faced with in order to comply with the current January 17, 2007 effective date.

ACB appreciates the opportunity to comment on this important issue. If you have any questions, please do not hesitate to contact the undersigned at (202) 857-3121 or via email at pmilon@acbankers.org or Jodie Goff at (202) 857-3158 or via email at jgoff@acbankers.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Patricia A. Milon". The signature is fluid and cursive, with a long horizontal stroke at the end.

Patricia A. Milon
Chief Legal Officer and Senior Vice President,
Regulatory Affairs