



November 13, 2008

Robert E. Feldman
Executive Secretary
Attention: Comments, Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429

Re: Docket No. RIN 3064-AD37, Temporary Liquidity Guarantee Program

Dear Mr. Feldman:

ING Bank, fsb ("ING DIRECT") appreciates the opportunity to comment in response to the Federal Deposit Insurance Corporation's ("FDIC") Temporary Liquidity Guarantee Program Interim Rule.

ING DIRECT has in excess of \$80 billion in assets and over \$68 billion in deposits and provides retail banking services and financial products to individuals and businesses across the United States. ING DIRECT does not, however, offer noninterest-bearing accounts to its customers and has no plans to do so.

ING DIRECT has three comments in response to the rule. Our first comment concerns the 75 basis point charge for the unsecured Debt Guarantee Program. ING DIRECT believes that it is important that the FDIC estimate potential losses to this program conservatively, in order to ensure that losses from this program are not borne by the financial industry at a whole. As a matter of prudent public policy, those who benefit from this program should pay for it.

Our second comment concerns the inclusion of federal funds under the Debt Guarantee Program. The 75 basis point fee is significantly higher than the risk on such funds. As other institutions have pointed out, banks that have no problems obtaining overnight funds prior to this plan will simply be paying more for the same funds, thus decreasing profitability and capital growth. To remedy this, the FDIC could either reduce the assessed fee or exclude federal funds from the definition of senior unsecured debt. ING DIRECT believes that rather than reduce the fee on federal funds and change a one-fee structure into a many-fee structure, that federal funds be excluded from the definition of senior unsecured debt.

Our third comment concerns the proposed disclosure requirements. Under the proposed rule: "[e]ach eligible entity that is an insured depository institution must post a prominent notice in the lobby of its main office and each branch clearly indicating whether the entity is participating in the transaction account guarantee program, i.e., whether it has opted out."

November 13, 2008

Page 2

We understand that this passage means that eligible depository institutions that opt out for any reason, including because they do not offer noninterest-bearing transaction accounts, are required to post opt-out notices. Expressly stating that we're opting out of obtaining excess insurance on a product we don't carry – akin to requiring a McDonald's restaurant to post a health warning concerning consuming raw fish in sushi (which it does not offer) -- seems inherently meaningless. It is contrary to good public policy to require institutions to post inapplicable notices. Such notices can only lead to customer confusion, as customers viewing such an opt-out notice are likely to presume that their own deposits – which are in no way affected by this – are somehow less safe and that the institution is not doing all it can to protect their deposits.

Obviously, ING DIRECT and other similar institutions can attempt to avoid this false customer perception by opting-in to the program. Opting-in would be costless to such institutions, as the extra assessment is only on noninterest bearing transaction accounts (in excess of \$250,000), but it would be a perverse and surely unintended consequence of the proposal to force institutions to opt into a program that is completely irrelevant to those institutions' and their customers.

To avoid customer confusion, ING DIRECT suggests that proposed section of 12 CFR 370.5(h)(3) be changed to the following:

“Each eligible entity that is an insured depository institution **and offers noninterest-bearing transaction accounts** must post a prominent notice in the lobby of its main office and each branch clearly indicating whether the entity is participating in the transaction account guarantee program, i.e., whether it has opted.”

ING DIRECT appreciates this opportunity to comment on the FDIC's proposed rules.

Respectfully,



Deneen D. Stewart
General Counsel
ING DIRECT