

June 5, 1998

(b)6

Re: Freedom of Information Act, your April 23, 1998 letter to Leonard Skiles

Dear:

You filed a Freedom of Information Act (FOIA) request seeking information on "the amount of funds lost, the persons that received funds and were responsible for the losses, and the persons that had funds invested or on deposit" at the Franklin Community Federal Credit Union. J. Leonard Skiles, the President of NCUA's Asset Management and Assistance Center, responded to your request on April 13, 1998. Mr. Skiles provided you with a copy of the March 1998 financial statement for the Franklin case which documents the amount of losses to date. Mr. Skiles stated further that a review of agency files to determine what documents are releasable would take approximately 20 hours. The first two hours of search time are provided free of charge; you would be charged \$35/hour for the remaining search time. Names of depositors in the credit union would be withheld pursuant to exemption 6 of the FOIA, 5 U.S.C. 552(b)(6). Other information found may be subject to exemption 6 as well as other exemptions of the FOIA.

We received your April 23, 1998 letter on May 4. Although the letter was addressed to Mr. Skiles, the envelope was marked "FOIA-Appeal" and a copy sent to the General Counsel, the NCUA official responsible for responding to FOIA appeals. You do not state in your letter that you are appealing Mr. Skiles' April 13th response; you only state that you do not intend to spend \$700 or more to obtain information under the FOIA. We find no issues to address on appeal.

Enclosed are excerpts from a congressional field hearing on Franklin Community Federal Credit Union. You may find it informative.

Sincerely,

Robert M. Fenner

General Counsel

GC/HMU:bhs

SSIC 3212

98-0507

Enclosure

cc: President, AMAC