

February 25, 2011



Ms Mary Rupp, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Dear Ms Rupp:

Thank you for the opportunity to comment on your proposed rule regarding the use of the advertising statement under Part 740. After reviewing the proposal, Xceed Financial Federal Credit Union believes that the current rule sufficiently addresses the issue of educating members and consumers about the NCUA and thus, does not need be changed at this time. In our opinion, the proposed revisions would add unnecessary constraints to the advertising efforts of credit unions.

Our main concern relates to the proposed requirement to add the official advertising statement to radio and television ads less than 30 seconds in length. Such ads are brief by design, and to take several seconds out of an ad that is 30 seconds or less to make the official advertising statement would effectively render them impracticable. Furthermore, we feel that individual credit unions, instead of the NCUA, should be able to assess whether disclosing the official advertising statement in shorter ads would outweigh the inconvenience, based on their unique circumstances, and advertise accordingly.

Another matter of concern is the proposed definition of “advertisement,” which appears to include any credit union account or service, whether loan, electronic service or mere mention of the credit union name. We suggest modifying such definition to include only the promotion of share accounts.

We are also concerned about the proposed font size requirement for the official statement in print advertising, which, considering that print ad media can range from magazines to billboards, could render them impracticable.

Thank you for the opportunity to provide comment on this proposed rule.

Regards,

A handwritten signature in cursive script that reads 'Teresa Freeborn'. The signature is written in black ink and is positioned below the 'Regards,' text.

Teresa Freeborn
President and Chief Executive

Cc: Ms Mary Dunn, CUNA, Senior Vice President and Deputy General Counsel
Mr. Luke Martone, CUNA, Regulatory Counsel

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