

December 10, 2001

Ms. Lori Krewalk
Open Solutions, Inc.
300 Winding Brook Drive
Glastonberry, CT 06033

Re: Regulation E Periodic Disclosures.

Dear Ms. Krewalk:

This letter responds to your electronic mail message, dated October 12, 2001, to the Federal Deposit Insurance Corporation (FDIC) concerning the periodic disclosure requirements of Regulation E. Your question focuses on the Regulation E requirements for credit unions so the FDIC forwarded your inquiry to us. The National Credit Union Administration (NCUA) is the federal agency responsible for the regulation and supervision of federally insured credit unions.

You asked if a member's periodic statement must identify the employer name and the fact that the transfer was from a payroll account when a credit union receives an electronic transfer of payroll funds for a member. Yes, Regulation E requires that the credit union issue a periodic statement identifying this transaction information. 12 C.F.R. §205.9(b)(1).

Regulation E requires a credit union to send a periodic statement to the member in each monthly cycle in which an electronic fund transfer has occurred, or at least quarterly if no electronic fund transfer occurs, for any account to or from which an electronic fund transfer may be made. The periodic statement must contain: the amount of the transfer; the date the transfer was credited or debited to the account; the *type of transfer and type of account* to or from which the funds were transferred; and the *name of any third party* to or from whom the funds were transferred. 12 C.F.R. §205.9(b)(1)(i),(ii),(iii) and (v). The Federal Reserve has issued staff interpretations of Regulation E that permit a financial institution to provide posting memos, deposit slips and other documents that together with the periodic statement disclose all the required information. 12 C.F.R. Part 205, Supplement I. A financial institution may also use codes for names of third parties on the periodic statement and explain the information to which the codes relate on an accompanying document. Id. If you have further questions, you may call NCUA's Office of General Counsel at (703) 518-6540.

Sincerely,

Sheila A. Albin
Associate General Counsel

SSIC 3251/01-1050