



NATIONAL CREDIT UNION ADMINISTRATION

WASHINGTON, D.C. 20456

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MAR 28 1985

Saul Bosek, Esquire
Epstein, Epstein, Brown & Bosek
505 Morris Avenue
Springfield, NJ 07081

Dear Mr. Bosek:

This is a follow-up letter to our February 15, 1985, response to your letter of February 6, 1985, concerning penalties for violations of the Federal Trade Commission (FTC) ~~Credit Practices Rule~~ (16 C.F.R. §444).

Unfortunately, the pocket part to the volume of the United States Code Annotated upon which we relied in our letter of February 15th was misprinted. Hence we relied on a version of the FTC Act which was not current.

The procedures currently available to the FTC for violations of the Credit Practices Act are somewhat different from those outlined in our first letter. For violations of a rule, the FTC may file for an injunction pursuant to 15 U.S.C. §53b. The FTC may commence civil actions against violators of a rule pursuant to 15 U.S.C. §45m(1)(A). In such actions, civil penalties of not more than \$10,000 per violation may be imposed. As noted in our first letter, 15 U.S.C. §57b also allows the FTC to commence civil actions against violators of the Credit Practices Rule. Remedies available under 15 U.S.C. §57b are to redress injury to consumers or others resulting from rule violations. These remedies are in addition to and not in lieu of any other remedy or right of action provided by state or Federal law.

We apologize for any confusion our February 15th letter may have caused. If you have any further questions, please contact Hattie Ulan of this Office.

Sincerely,

STEVEN R. BISKER
Assistant General Counsel

cc: Maryann Caswell, CUNA
Larry Blanchard

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