



NATIONAL CREDIT UNION ADMINISTRATION
Washington, D.C. 20456

April 6, 1989

GC DR: SG
8300

Office of General Counsel

Claude A. Rollin, Esq.
Federal Deposit Insurance Corporation
Washington, DC 20429

Dear Mr. Rollin:

This will acknowledge receipt of your letter of March 1, 1989, which brought to our attention an advertisement by the Ray Carroll Credit Union in the Richmond, Missouri, Daily News.

We have forwarded your letter to our Regional Office in Chicago, Illinois, with a request that they contact the Credit Union with respect to your complaint and advise you directly of the outcome of their efforts. You should hear from them in the near future.

Thank you for bringing this matter to our attention.

Sincerely,

Hattie M. Ulan

HATTIE M. ULAN
Assistant General Counsel

EOR:sq
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cc: Regional Director
Region IV (Chicago)

FOIA - Vol IV, C

FDICFederal Deposit Insurance Corporation
Washington, DC 20429

Legal Division

March 1, 1989

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Jim →

Robert M. Fenner, General Counsel
National Credit Union Administration
1776 G Street, N.W.
Washington, D.C. 20456

Dear Mr. Fenner:

I am writing to bring to your attention the enclosed advertisement for the Ray Carroll Credit Union in Richmond, Missouri, an NCUA-insured credit union, which was published in The Daily News of Richmond, Missouri, on January 31, 1989.

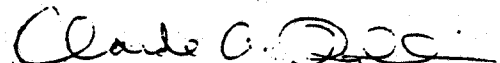
The enclosed advertisement compares the reserves maintained by the FDIC and the FSLIC to those maintained by the NCUA. It suggests that funds deposited in FDIC-insured banks or FSLIC-insured institutions are not as safe, or entitled to the same insurance protection, as funds deposited in NCUA-insured credit unions. In our opinion, the advertisement is, at best, misleading and inflammatory.

We believe that it is inappropriate for any financial institution to use a comparison of the FDIC, FSLIC and NCUA insurance funds for advertising purposes. Such comparisons could undermine public confidence in the Federal deposit insurance system and thus be a destabilizing force for all financial institutions. Therefore, we strongly discourage FDIC-insured banks from using such comparisons in their advertising.

Since the Ray Carroll Credit Union is an NCUA-insured institution, we are bringing their advertisement to your attention for whatever action you may deem appropriate.

Thank you for your cooperation in this matter. If you have any questions, you may contact me at (202) 898-3985.

Sincerely,



Claude A. Rollin
Attorney

Enclosure

HOW SAFE IS YOUR MONEY?



If it's insured through
FDIC It's only insured
\$1.00 per 100.

If it's insured through
FSLIC It's only insured a
negative 35 to 100 million.

If your money is in Your Own Credit
Union—owned and operated by you
and for you—

It's insured \$1.27
per 100 by the NCUA.

Something to think about isn't it?

Call today for more information.

776-5593

Ray Carroll Credit Union

301 E. Lexington • M-F 9-3 p.m. • Richmond

THE DAILY NEWS

(USPS 465-560)

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