

August 10, 2006

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Revisions to Official Sign Indicating
Insured Status

Dear Ms. Rupp:

Navy Federal Credit Union provides the following remarks in response to the National Credit Union Administration's (NCUA) request for comments on its proposal to revise the official signage to reflect recent share insurance increases.

We suggest that the word "are" be inserted in the official sign to aid in readability. We do not believe that the word would significantly alter the meaning of this statement and believe that the addition could limit possible misunderstandings. Consequently, the upper portion of the proposed sign would read as follows:

Your savings *are* federally insured to at least \$100,000 and backed by the full faith and credit of the United States Government.

We believe that the 60-day window (after receipt of the materials from NCUA) will provide enough time for most credit unions to properly place the new signage. Navy Federal will comply with the proposed timetable; however, other credit unions may have difficulty meeting the proposed deadline. We ask the agency to sparingly enforce this requirement as credit unions adopt the new signage.

Finally, we ask that NCUA consider incorporating language in its official signage to recognize the new \$250,000 share insurance coverage limit on certain retirement accounts. While the current proposed statement is not inaccurate, we believe that this change could provide an enhanced description of the protections credit union members may receive. We believe that credit union members should be made aware of the new coverage limits for certain retirement accounts and this signage provides an excellent opportunity for members to be educated on the increases. We suggest the following:

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Your savings are federally insured to at least \$100,000. Certain retirement accounts may receive coverage up to \$250,000. Insured credit union accounts are backed by the full faith and credit of the United States Government.

Navy Federal appreciates the opportunity to provide our comments in response to the NCUA's proposal to revise its share insurance signage.

Sincerely,

A handwritten signature in black ink that reads "Cutler Dawson". The signature is written in a cursive style with a large, looped initial "C".

Cutler Dawson
President/CEO

CD/pm