



February 16, 2010

Paul Sanford
Executive Secretary
Federal Financial Institutions Examination Council
L. William Seidman Center
Mailstop: D 8073a
3501 Fairfax Drive
Arlington, VA 22226-3550

RE: Docket Number FFIEC-2009-0001

Dear Mr. Sanford:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents the interests of our nation's federal credit unions, I would like to respond to the Federal Financial Institutions Examination Council's (FFIEC) request for comment on proposed guidance regarding reverse mortgages.

NAFCU generally supports the proposed guidance. The practices and policies contained in the guidance reflect common sense and NAFCU believes that credit unions that do offer reverse mortgages already have procedures in place to address most of the concerns the FFIEC expressed in the guidance. NAFCU is, however, concerned with one issue with the proposed guidance regarding communications with consumers. The guidance states that lenders' promotional materials should include guidance on costs, terms, features and the risks of reverse mortgages. The guidance then goes on to list ten items that should be included in the material. Additionally the guidance indicates that the promotional material would normally include information on all ten items, but that additional information may also be necessary. NAFCU agrees that all of the information listed in the guidance should be disclosed to consumers. We are, however, concerned that the guidance implies institutions should include all of the information in most or all promotional material. Simply put, it would be difficult to disclose all ten items listed in the guidance plus other necessary information that must go in, for example, any advertisement.

Accordingly, NAFCU recommends the guidance be more explicit in terms of what disclosures must be made in advertisements. For example, NAFCU would likely support requiring some of the ten items to be included in all promotional material, while other items of less importance could, perhaps be disclosed in another document that the consumer would be

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provided after expressing interest in a reverse mortgage. Again, NAFCU does support the intent behind the guidance as well as most of the specific provisions in the guidance. We merely believe that it is impractical to include an extensive list of disclosures in all – or even most – promotional material.

NAFCU appreciates this opportunity to share its comments on the proposal. Should you have any questions or require additional information please call me at (703) 842-2212.

Sincerely,

A handwritten signature in black ink, appearing to read "Dillon Shea". The signature is written in a cursive, flowing style.

Dillon Shea

Associate Director of Regulatory Affairs