FIRST CITIZENS BANK
16 East Rowan Street
Raleigh, NC 27609

September 18, 2006

Re: Joint Proposal rulemaking
Implementation of Section 114 and 315 of the FACT Act
Identity Theft Red Flag Guidelines
OCC Docket No. 06-07; FRB Docket No. R-1255; FDIC RIN 3064-AD00; OTS No. 2006-19; NCUA (No Docket No.); FTC RIN 3084-AA94
71 Federal Register 40786, 18 July 2006

Ladies and Gentleman:

First-Citizens Bank and Trust Company (First Citizens Bank) is a state-chartered, non Federal Reserve member bank headquartered in Raleigh, N.C. with over $13 billion in assets. Its over 340 branches are located in North Carolina, Virginia, West Virginia, Tennessee, and Maryland.

First-Citizens Bank respectfully submits its comments to the Identity Theft Red Flags and Address Discrepancies under the Fair and Accurate Credit Transactions Act of 2003 as published in the Federal Register of 18 July 2006.

While the proposal has many merits and worthwhile goals, First-Citizens Bank would like to inform the agencies of the burden that one component of this proposal would place on it and question the benefits of complying with the proposal.

Monthly, First Citizens Bank opens over 12,000 consumer checking and loan accounts. Each of these accounts is opened in compliance with the USA PATRIOT Act that assures that First Citizens Bank has reason to believe that it knows the true identity of the individual seeking to open the account.

Before opening each account, First Citizens Bank obtains a consumer report from a consumer reporting agency to ascertain whether the consumer qualifies for these accounts. The consumer reporting agency notifies First Citizens Bank that over 40% of these accounts have address discrepancies.

Thus, while First Citizens Bank has formed a reasonable belief that it knows the true identity of the individual, nearly half of these individuals have an address discrepancy for one reason or another.

Requiring banks to update their customers' addresses maintained by the credit reporting agencies will add burdens, costs, and time to the account opening process while adding little value to mitigating identity theft since banks must already comply with the USA PATRIOT Act requirements.

Therefore, First Citizens Bank respectfully requests that the provision related to the requirement to furnish the consumer's address to a consumer reporting agency be reevaluated in light of the high costs and low benefits.

First Citizens Bank appreciates being given the opportunity to comment on the proposal.

Sincerely,

Michael LaVacca
Chief Compliance Officer
Group Vice President
First Citizens Bank