

From: Wolters Kluwer Financial Services, Kurt N Stertz  
Subject: Regulation CC

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Comments:

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Proposal: Regulation CC - Availability of Funds and Collection of Checks  
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June 3, 2011 By Electronic Delivery Re: Regulation, CC Proposed Rule; Docket No. R-1409 and RIN No. 7100 AD 68 Ladies and Gentlemen: This letter is submitted on behalf of Wolters Kluwer Financial Services ("WKFS") in response to the request for comments on the Regulation CC proposed rule. WKFS appreciates the opportunity to comment on this matter. WKFS provides compliance solutions including deposit, lending, and IRA documents, disclosures, software, training, and support services to over 12,000 financial institutions, including more than 80 percent of banks in the U.S. In addition, many core processors and software developers use WKFS' compliance-related documents and other components in their products. Included in WKFS' solutions is the production of customized funds availability disclosures that meet the requirements of 12 CFR Part 229. WKFS supports the agencies in their promulgation of the proposed model disclosures and notices, but we request certain clarifications regarding the format of the disclosures. Page Size The Supplementary Information to the proposed rule provides: Specifically, although the regulation does not require banks to use a certain paper size for their funds-availability disclosures and notices, the proposed model funds-availability policy disclosures are generally designed to be printed on an 8 1/2 x 11 inch sheet of paper with black text on a white background, so as to increase their readability for consumers. WKFS feels that it would be helpful to have a clearer standard regarding the page size requirements for the disclosures, or additional guidance for when an 8 1/2 x 11 inch sheet of paper is necessary and when an alternative page size would be acceptable. Without further guidance the rule is ambiguous as it may be unclear whether a disclosure not printed on an 8 1/2 x 11 inch sheet of paper meets the clear and conspicuous standard. Brochure or Pamphlet with Other Account Terms Proposed Commentary Section 229.15(a)(3) is identical to the existing Commentary and it provides: The regulation does not require that the disclosures be segregated from other account terms and conditions. For example, banks may include the disclosure of their specific

availability policy in a booklet or pamphlet that sets out all of the terms and conditions of the bank's accounts. The required disclosures must, however, be grouped together and highlighted or identified in some manner, for example, by use of a separate heading for the disclosures, such as "When Deposits are Available for Withdrawal." WKFS has thousands of financial institution customers that include their Funds Availability Disclosure in a brochure or booklet with account terms and other disclosures. But rarely, if ever, would those booklets satisfy an 8 ½ x 11 inch page requirement. WKFS feels it would be helpful to have additional guidance regarding the format requirements for including the funds availability disclosure in a brochure or pamphlet. Logos or Institution Identification, Taglines and Barcodes Financial institutions commonly identify themselves on their funds availability disclosures using a logo or in some other manner. Proposed Commentary Section 229.15(a)(3) is identical to the existing Commentary and it provides: Disclosures concerning availability must be grouped together and may not contain any information that is not related to the disclosures required by this subpart. WKFS feels that the Commentary should specify that the inclusion of a logo or other information identifying the financial institution does not violate this requirement. Vendors, such as WKFS, that produce disclosures and other compliance documents for financial institutions generally include a "tagline" at the bottom of each page. This is a line in a relatively small type size that identifies the vendor and contains other useful information, such as the date that the particular version of the form was created. This allows for identification of the vendor if issues arise and also allows the institution to determine whether a particular copy of their disclosure or notice is the most recent version, as opposed to an outdated one. In addition, institutions with automated document control often use barcodes on documents to track that required forms are given WKFS feels a clarification should be made to the proposal saying that taglines are allowed to be added to the bottom of each page of the Disclosures or Notices. To minimize the space needed for the tagline, the final rule should provide that the tagline does not need to meet the clear and conspicuous standard or specifically provide that six-point type would be adequate. Barcodes, which are usually 5/6ths of an inch should also be allowed for document control. Conclusion In conclusion, WKFS supports the concept of the new model disclosures and notices and believes that the clarifications requested in this comment letter will help financial institutions and their vendors use the model forms in the manner intended. If you have any questions concerning these comments, or if we may be of any assistance in connection with this matter, please do not hesitate to contact me.

Sincerely,

Kurt Stertz  
Wolters Kluwer Financial Services