

**MEMO# 23012**

October 22, 2008

## **FTC Grants Six-Month Delay Of Enforcement Of "Red Flags" Rule; New Compliance Date Is May 1, 2009**

[23012]

URGENT

October 22, 2008

TO: BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 33-08  
BROKER/DEALER ADVISORY COMMITTEE No. 39-08  
COMPLIANCE MEMBERS No. 56-08  
OPERATIONS MEMBERS No. 20-08  
PRIMARY CONTACTS - MEMBER COMPLEX No. 14-08  
PRIVACY ISSUES WORKING GROUP No. 15-08  
SEC RULES MEMBERS No. 126-08  
SMALL FUNDS MEMBERS No. 65-08  
TECHNOLOGY COMMITTEE No. 26-08  
TRANSFER AGENT ADVISORY COMMITTEE No. 61-08    RE: FTC GRANTS SIX-MONTH DELAY  
OF ENFORCEMENT OF "RED FLAGS" RULE; NEW COMPLIANCE DATE IS MAY 1, 2009

The Federal Trade Commission today announced that it will suspend enforcement of the new "Red Flags Rule" until May 1, 2009 to give financial institutions additional time in which to develop and implement their written identity theft prevention programs. [\[1\]](#) The FTC's announcement contains a link to an Enforcement Policy Statement that notes, in part, that the confusion and uncertainty within major industries about the rule's applicability left financial institutions insufficient time to comply with the rule's requirements. According to the Policy Statement, "[d]elaying Commission enforcement of the rule as to the entities under its jurisdiction by six months, until May 1, 2009, will allow these entities to take the appropriate care and consideration in developing and implementing their programs."

Tamara K. Salmon  
Senior Associate Counsel

**endnotes**

[1] A copy of the FTC's press release announcing the delay is available at:  
<http://ftc.gov/opa/2008/10/redflags.shtm>.

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