

August 11, 2010

Federal Deposit Insurance Corporation

Washington, DC 20006

Re: Request for Comments on Overdraft Payment Supervisory Guidance

Thank you for the opportunity to comment on Overdraft Payment Supervisory Guidance. I would like to request that there be more detailed guidance regarding what is considered "excessive usage of an overdraft privilege program", what disclosures must be provided when a customer meets the criteria, and when the overdraft privilege access must be removed due to the excessive usage. As it currently stands, the 2005 guidance only referred to excessive usage, and none of the other bankers I have spoken to know what this means. If you truly want to curb excessive usage and protect consumers who do not understand these programs, then you need to develop industry standards for excessive usage.

I understand that other banks will resist this and state that it is limiting their free market rights to develop their own policies, but it puts some banks at a competitive disadvantage. Consider:

- Bank A considers X to be excessive. Bank A is being more conservative, removing overdraft privilege for excessive usage, and as a result losing fee income and accounts.
- Bank B considers Y to be excessive. Bank B is being more liberal, having a higher threshold for excessive usage, warning customers and never removing overdraft privilege, and as a result retaining fee income and accounts.

If Bank B is not held accountable during regulatory exams, Bank A suffers. Without clear guidelines, banks will be left to their own devices. Some banks will be aggressive and rack up fee income, while the conservative banks are doing the right thing but losing fee income. Sound familiar? It was the same situation with the subprime mortgages.

Thank you for your consideration.

Sincerely,

Anonymous