

From: clewis@firstoptionbank.com [mailto:clewis@firstoptionbank.com]  
Sent: Monday, September 27, 2010 10:18 AM  
To: Comments  
Subject: FDIC Proposed Guidance on Overdraft Coverage

Chad Lewis  
21101 W 223rd St  
Spring Hill, KS 66083-3042

September 27, 2010

Comments to FDIC

Dear Comments to FDIC:

By electronic delivery to:  
[OverdraftComments@fdic.gov](mailto:OverdraftComments@fdic.gov)

Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429-9990

Re: Overdraft Payment Supervisory Guidance, FIL-47-2010, August 11, 2010

Dear Sir or Madame:

First Option Bank is a locally owned, community bank with 5 locations in Eastern Kansas. We have a solid reputation, are safe/sound, and have been in existence since 1923. Part of our vision statement reads that we will strive for 'mutually beneficial relationships with our customers and communities'. I would like to take a moment to comment on proposed guidance on overdraft coverage.

I strongly oppose the FDIC's proposed guidance (FIL-47-2010) that addresses overdraft coverage programs. Simply put now is not the time to introduce further regulation targeted at overdraft coverage products. My bank has just implemented new requirements under Regulation DD (Truth in Savings) and Regulation E (Electronic Fund Transfers) at great expense and manpower. Having to rework our bank's deposit products and to accommodate a regulatory moving target does not help my bank serve its customers.

My bank does not manipulate transaction processing to generate more fees and higher revenue. My bank is accountable to its community and its success is dependent on a MUTUALLY BENEFICIAL relationship with customers. If we engaged in "price-gouging" tactics, we COULD NOT do business in our community.

Lastly, I fear that this proposal will ultimately do a great disservice to my customers, many of which appreciate the assurances that accidental overdraft coverage offers in preventing a bill being returned unpaid or a merchant-imposed fee being levied. If regulatory barriers and

requirements become too burdensome, I will be faced with discontinuing these services and returning all check and ACH transactions, exposing my customers to fees far greater than those imposed by my bank.

I urge the FDIC to carefully consider this measure to ensure that the guidance does not impede my bank's ability to provide overdraft coverage services to my customers. If we are forced to abandon or significantly alter these services due to regulatory burden, the result could lead more consumers into becoming unbanked or relying on other products such as prepaid debit cards and check cashing services, which have higher fees and foster unsound financial practices.

Sincerely,  
Chad Lewis