

Federal Deposit Insurance Corporation
550 17th Street NW
Washington, D.C. 20429-9990
OverdraftComments@fdic.gov

Comments on the FDIC's proposed guidance on Overdraft Payment Programs and Consumer Protection -
FIL-47-2010

Dear FDIC,

Thank you for the opportunity to provide comment on the proposed Overdraft Payment Supervisory
Guidance.

Busey Bank is a \$3.8 billion dollar state chartered bank headquartered in Illinois with 42 branches located
in Illinois, Indiana and Florida.

Busey does offer a courtesy overdraft protection program for our customers. We fully comply with
existing regulations that affect this area, as well as the 2005 Joint Guidance on Overdraft Protection
Programs.

Observation and Comments

* We agree that customers should be allowed to choose the overdraft program that best meets their
individual needs. We discuss the options with the customer at the time of account opening. Our
customers do not become eligible for overdraft courtesy coverage until the account has been opened and
handled satisfactorily for at least 30 days.

* We agree with the FDIC's recommendation that a customer should be allowed to decline coverage of
non-electronic transaction overdrafts. We discuss this option with our customers at account opening. We
would not support a recommendation requiring customers to "opt-in" to coverage for non-electronic
transactions. A requirement of this type would result in checks and other items being returned unpaid
prior to the time the customer makes a decision to "opt-in" thus opening the customer up to greater fees
associated with return item charges being assessed by merchants.

* Busey has approximately 80,000 checking accounts. The proposal to monitor accounts to determine
which customer has incurred 6 or more overdrafts and then contact them in person or via telephone to
discuss whether another approach to managing overdrafts would be more appropriate is not a manageable
task with our number of customers.

We urge the FDIC to allow financial institutions to exercise discretion with respect to the identification
and treatment of excessive overdraft users. The Bank secrecy Act processes show that bankers can and
do effectively and responsibly use the discretion provided them.

* The courtesy overdraft program is designed to save consumers money. If the customer writes a check
without sufficient funds in the account the bank can choose to either pay the check or return it unpaid.
The decision process applies to all accounts, those with courtesy overdraft privileges and those without.
If the check is paid the customer is charged an overdraft fee. If the check is returned the customer is
charged a returned item fee and most likely a fee from the merchant the check has been returned to, thus
creating more fees for the consumer.

This guidance proposes institution of a daily limit on the amount of overdraft fees which can be charged. It is reasonable to assume that if a bank cannot impose a fee for an overdraft, then the bank will return the item, thereby creating additional fees for the customer. It will be hard for the customer to win in this situation.

Conclusion

The concept by the FDIC to provide additional protection for customers from questionable banking practices is understandable, however it is important to remember that customers have a financial responsibility to manage their checking accounts wisely. With the proposal that is before us there is no incentive for a customer to take ownership of their account and act in a responsible manner. Most banks today offer multiple ways for customers to manage their accounts including telephone banking, internet banking, mobile banking, in person banking and information supplied at an ATM, all of which are provided at no cost. These tools at a minimum provide basic balance information so a customer will know what the current balance is in their account. The customer needs to use the tools provided to assist them in managing their account.

We ask that the FDIC withdraw their proposed guidance and allow the consumer protection that is already in place, some of it just implemented very recently, to service their purpose without adding additional burdens to this area of banking services.

