

**From:** [Wayne T. Hood](#)  
**To:** [Comments](#)  
**Cc:** [Wayne T. Hood](#)  
**Subject:** [EXTERNAL MESSAGE] June 20, 2025-Request for Information On Potential Actions To Address Payments Fraud; Comment Request (RIN 3064-ZA49)  
**Date:** Thursday, September 18, 2025 1:49:22 PM

**Submitted Via E-Mail**

September 18, 2025

Ms. Jennifer M. Jones  
Deputy Executive Secretary  
Attention: Comments—RIN 3064-ZA49  
Federal Deposit Insurance Corporation  
550 17th Street NW  
Washington, DC 20429

Dear Ms. Jones:

As an Executive Vice President, Chief Regulatory Officer, and General Counsel of Bank of Tennessee (“Bank”), a \$2 billion state non-member community bank operating in Middle and Eastern Tennessee and Western North Carolina, I am writing on behalf of the Bank to respond to the interagency request for information on payments fraud issued June 20, 2025 (“RFI”) jointly by the Office of the Comptroller of the Currency (“OCC”), Board of Governors of the Federal Reserve System (“FRB”), and Federal Deposit Insurance Corporation (“FDIC”).

The Bank applauds the OCC, FRB, and FDIC for issuing the RFI and seeking input on the ways these agencies could take actions to help consumers, businesses, and financial institutions mitigate payments fraud. Community banks and their customers continue to be challenged by a rise in fraud and scams across payment types, so agency action is much needed.

Specifically, the Bank has been affected by payments fraud in the following ways:

- The interception of checks through the mail with the payee and often amount of the check being altered.
- Customers being scammed through a variety of online and telephone communications. Elderly customers are particularly vulnerable to these scams.
- Customer computers being hacked, with the hackers intercepting a wire intended for the customer.
- Continued losses due to customer disputes of unauthorized debit card transactions.

The Bank supports collaborative stakeholder efforts to address payments fraud. Fraud and scams persist across state and international borders, so national and international stakeholder collaboration is necessary to effectively combat the problem. Local, regional, and national collaboration between regulators, law enforcement, community organizations, and other stakeholders can be an effective way to build connections and share information at the community level. From a regulatory standpoint, revisions to Regulation E and Regulation CC to account for longer time periods needed to investigate suspected fraud would be very helpful. Changes in information sharing, particularly allowing the sharing of information regarding suspected elder financial abuse with trusted family members or social services organizations should also be considered. Broadly speaking, payments fraud regulations and examiner expectations need to take into consideration not only the disproportionate impact fraud has on the bottom line of community banks, but also consider that community banks generally do not have the same technology or staffing resources to fight fraud as do larger banks.

Community banks thrive, in part, because of their close customer relationships, so face-to-face engagement is one of the most effective tools to reach community bank customers. In-branch material and messaging is especially valuable for community banks. Community banks serve elderly customers, as well as consumers and small businesses in rural and agricultural areas, so educational materials tailored to these groups would be valuable. Some community banks are in areas that do not have widespread, reliable Internet access, so web-based resources are not always accessible to customers. Thank you for the opportunity to provide comments on this RFI. The Bank looks forward to continuing to work with the state and federal government agencies, law enforcement, community groups, and other stakeholders to protect our customers and communities from the growing threat of payments fraud.

Sincerely,

/s/ Wayne Hood

Executive Vice President, Chief Regulatory Officer, and General Counsel  
Bank of Tennessee

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