



Dear Mr. Gould, Mr. McDonough, and Ms. Jones:

I am the Chief Executive Officer of BNA Bank a \$800MM community bank located in New Albany, MS. I am writing to respond to the Office of the Comptroller of the Currency (OCC)'s, Board of Governors of the Federal Reserve System (Board)'s, and Federal Deposit Insurance Corporation (FDIC)'s request for information (RFI) on payments fraud.

As a community bank deeply embedded in the financial lives of our customers, we are increasingly concerned about the rise in payment fraud-particularly check fraud, which has surged in recent years and disproportionately impacts on smaller institutions and vulnerable consumers. We commend the FDIC, Federal Reserve, and OCC for initiating a request for public input and urge swift, coordinated action to address this growing threat.

To effectively mitigate fraud across all payment channels, we recommend the following regulatory actions:

1. Tailored Regulatory Expectations for Community Banks

Examiner expectations should reflect the unique operational scale and risk profiles of community banks. As one-size-fits-all approach burdens smaller institutions and diverts resources from high-risk areas.

2. Enhanced Interagency Collaboration and Data Sharing

Fraud often spans multiple institutions and payment methods. We support the development of secure, real-time data sharing platforms among banks, regulators, and law enforcement to identify and respond to fraud patterns quickly.

3. Investment in Fed Operator Tools and Services

The Federal Reserve Banks should expand and modernize their fraud detection and prevention tools, making them more accessible to community banks. These tools should include real-time alerts, anomaly detection, and enhanced authentication protocols.

4. Consumer and Business Education Campaigns

Public awareness initiatives like #bankNeverAskThat have proven effective. Regulators should partner with banks to scale these efforts, especially in rural and underserved communities.

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5. Streamlined Reporting and Compliance Processes

Simplifying SAR and CTR reporting would allow banks to focus more resources on fraud prevention rather than administrative burdens. We support efforts to modernize these forms and reduce duplicative reporting.

Sincerely,



Mike Staten
Chief Executive Officer
BNA Bank

“Everything a community bank should be, *and more!*”

