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**From:** Emily Herndon <[REDACTED]>  
**Sent:** Friday, September 5, 2025 4:09 PM  
**To:** Comments  
**Subject:** [EXTERNAL MESSAGE] June 20, 2025-Request for Information On Potential Actions To Address Payments Fraud; Comment Request (RIN 3064-ZA49)

[REDACTED]

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, Mr. McDonough, and Mr. Gould:

I am the AVP Operations/Teller Supervisor of Conway Bank, a \$112,000,000.00 community bank with branch locations in several rural Kansas towns, as well as Wichita KS. I am writing to respond to the Office of the Comptroller of the Currency (OCC)'s, Board of Governors of the Federal Reserve System, and Federal Deposit Insurance Corporation's request for information on payments fraud.

We have a total of four branch locations. Two of our locations are in towns with no other banking presence. Conway Bank is an integral part of our local communities. Our employees live in the communities that they serve and believe that their contributions as employees and citizens are important to making our communities amazing places to live, work, and raise our families. Our agricultural lenders have been a part of helping our local farmers live and serve for generations.

We applaud the agencies for issuing this RFI and seeking input on ways that the OCC, the FRS, and FDIC could take actions to help consumers, businesses, and financial institutions mitigate payments fraud. Community banks are especially challenged by the continual rise in fraud and scams and agency action is needed.

Some ways in which our bank has been affected by payments fraud include:

- Check Fraud-Check fraud for our institution has risen dramatically within the last couple of years, as it has across the nations. Our customers have been very diligent in reviewing the accounts for

fraud, but even with this diligence, the ability to recoup funds lost from fraudulent check schemes is difficult. Check fraud has resulted in thousands of dollars lost to our institution, and to our customers.

- Debit Card Fraud-Debit fraud also continues to rise year after year for our institution. Debit card losses for our institution has tripled in the last year alone.
- Wire Fraud-Wire fraud for our institution has limited, in large part thanks to our Frontline staff who have been invaluable in helping to educate our customers and to catch wire fraud at the front line before it makes it to our wire department. However, even the minimal instances of wire fraud have resulted in thousands of dollars in loss for our customers who have fallen victim to crypto scams.

Education is an invaluable part of our ability to combat fraud. Having access to affordable education materials for our customers, especially the elderly who may not have computer access would be valuable for all financial institutions. Education materials for our banking staff would also be valuable.

Check fraud is a significant issue. The majority of fraudulent checks for our customers has occurred when someone has mobile deposited a counterfeit check with their account information, at a large institution. There is concern that large financial institutions may not be exercising sufficient CIP/KYC processes and fraudsters have taken advantage of these opportunities to open accounts for fraudulent purposes. Resolving check fraud is also particularly challenging with a larger financial institution. One frustration recently for our institution was a large institution informing us that they do not process any requests for hold recoveries that are less than \$1,000.00. \$1,000.00 is significant loss for our customer and for our institution!

Changes to Reg CC could help to prevent and mitigate check fraud. The return deadline related to fraud could be extended and the “reasonable cause to doubt collectability” exception could be clarified. Lack of clarification for this exception means that we are looking for other hold options available when suspecting fraud.

A fraud contact directory for all U.S financial institutions would be helpful for community banks.

Thank you for the opportunity to provide comments on this RFI. We look forward to continuing working together with the OCC, FRS, FDIC, and other stakeholders to protect our customers and communities for the growing threat of payments fraud.

Sincerely,

*Emily Herndon*

AVP Operations/Teller Supervisor  
Conway Bank

Cell  
Direct Line  
Bank Line



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