

From: [Suzette Morris](#)
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] June 20, 2025-Request for Information On Potential Actions To Address Payments Fraud; Comment Request (RIN 3064-ZA49)
Date: Thursday, August 21, 2025 3:58:39 PM

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 Vice President of Peoples Bank & Trust Co., a \$890 million asset size community bank located in Troy, MO. 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.

At PBT, we have been serving our local community for over 100 years. We now span 3 counties and see customers from urban to rural areas.

Our motto is "Hometown Banking the Way it should be!" We take pride in not only getting to know our customers, but help them reach their dreams through products AND education.

We have seen a tremendous increase in scams in all different areas over the past several years.

I greatly appreciate the agencies for issuing this RFI and seeking input on ways that the OCC, the Federal Reserve System (FRS), and the FDIC could take actions to help consumers, businesses, and financial institutions mitigate payments fraud. Community banks 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 Most affected is our customers as scammers are using extreme measures of social engineering to control the rhetoric
- As well as,
- Debit card fraud
- Check fraud
- Wire fraud

Romance scams

- Etc.

External Collaboration

- The Bank supports collaborative stakeholder efforts to address payments fraud. Fraud and scams persist across state borders, so national stakeholder collaboration is necessary to effectively combat the problem. However, national efforts must recognize the resource constraints individual community banks face when deciding whether to participate.
- Local and regional collaboration across community banks, federal and state regulators, law enforcement, community organizations, and other stakeholders can be an effective way to build connections and share information at the community level.

Consumer, Business, and Industry Education

- 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.

Regulation and Supervision

- Broadly speaking, payments fraud regulations and examiner expectations need to be appropriately tailored to community banks with tiered compliance requirements and deadlines. There are opportunities to enhance supervisory guidance around appropriate controls, suitable technology, reporting, and incident response, but it is important to avoid imposing new burdens on community banks.
- Check fraud, in particular, remains a significant issue. Community banks are

concerned that some large financial institutions are not exercising sufficient CIP/KYC processes and opening accounts that are being leveraged by fraudsters. Similarly, community banks have had significant difficulty resolving interbank disputes regarding fraudulent checks.[Insert examples of instances where your bank has had difficulties resolving check fraud claims with large financial institutions, including the time frames for responses.]

- Changes to Regulation CC could help community banks prevent and mitigate check fraud. For example, the return deadline related to fraud could be extended, the “reasonable cause to doubt collectability” exception could be clarified, and relevant definitions could be revised (e.g., “altered” and “alteration”). However, hold times should not be shortened; they are an essential tool for banks to detect and prevent check fraud. Financial institutions should have flexibility to extend hold times under appropriate circumstances.

Payments Fraud Data Collection and Information Sharing

- While centralized data reporting would be valuable for the ecosystem, agencies should avoid imposing additional data collection requirements on community banks. Appropriate safe harbors would improve banks’ ability and willingness to share fraud data.
- Community banks would benefit from automated data collection, analysis, and reporting tools that are integrated with services they already use and do not come with additional costs.

Reserve Banks’ Operator Tools and Services

- Community banks would benefit from tools and services that integrate with third-party services they already use and pricing that is appropriate for their size and complexity.
- There are a variety of specific products and services that could benefit community banks, including, for example, a fraud contact directory, a fraud information sharing repository, an interbank check fraud breach of warranty claim mechanism, a check image analysis and verification tool, an atypical payment monitoring service, and confirmation of payee service.

General Questions

- A very concerning type of fraud and scams involve the use of extreme social engineering that are tricking customers into sharing banking information or sending funds. As a bank, we see these red flags, and have no space to report those to help stop them, only to talk to our customers and outline what is happening. However, bad actors are making these types of scams their full-time job with a constant barrage of lies to get what they want. Bad actors are essentially taking over the emotions and reasoning of individual, like being kidnapped but your physical body is still here.
- We are striving to educate, educate, educate, through in-branch materials, social media posts, presentations to groups, anywhere we can.
- We need a way to report and help apprehend the bad actors.

Thank you for the opportunity to provide comments on this RFI. The Bank looks forward to continuing to work with the OCC, FRS, and FDIC, and other stakeholders to protect our customers and communities from the growing threat of payments fraud.

Thanks and have a great day!

Suzette M. Morris, AAP

Vice President

Peoples Bank & Trust Co.

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