

From: kknuteson@firstcitizensww.com [<mailto:kknuteson@firstcitizensww.com>]  
Sent: Monday, September 27, 2010 12:39 PM  
To: Comments  
Subject: FDIC Proposed Guidance on Overdraft Coverage

Ken Knuteson  
N9217 Duffin Rd  
Whitewater, WI 53190-3947

September 27, 2010

Comments to FDIC

Dear Comments to FDIC:

By electronic delivery to:  
[OverdraftComments@fdic.gov](mailto:OverdraftComments@fdic.gov)

Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429-9990

Re: Overdraft Payment Supervisory Guidance, FIL-47-2010, August 11, 2010

Dear Sir or Madame:

My name is Ken G. Knuteson with the First Citizens State Bank in Whitewater, Wisconsin a small rural city of about 14,000 citizens.

I have been with First Citizens for 25 years and have been in banking for over 40 years.

Does it make me an expert? No, but it gives me perspective. Therefore, I recommend that first let's hold off on any more changes at the present time. Both the Bank and our customers are adjusting to the new rules/disclosures/options/and procedures from the current changes. For example, we are still getting calls from customers asking why they were turned down at the merchant, "Didn't I have a \$400 overdraft protection?" "No, you did not opt-in." and then we explain the new regulations. Let's leave this topic/regulation rest for a least a year or more. Give us and our customers a chance to catch up.

Secondly, the requirement to monitor the number and frequency of a customers overdrafts is way beyond extreme. And then for us to contact our customer and slap their hand because the FDIC says they are a naughty/dumb/spendthrift person is almost laughable if it was not so saddening and disrespectful of our customer.

I also disagree with "price fixing" by the government, which several items of this proposal include. Let us disclose up front when we open an account or when our customer asks what our fees are and what their options

are.

It appears that in the name of "protecting the consumer", you want us to return to the days when we automatically returned your check if you did not have money in your account. It reminds me of the days when "bad checks" were taped to the side of the cash register at the grocery store. Let's not go there again. A practice that created, Payday Loans, Check Collection companies, and fees of \$25 to \$35 from the merchant for returned items.

Please contact me if you have any questions or need additional information.

Sincerely,  
Ken G. Knuteson  
First Citizens State Bank  
207 W. Main St  
Whitewater, WI 53190

262-473-1406  
[kknuteson@firstcitizensww.com](mailto:kknuteson@firstcitizensww.com)

Thank you for pondering my comments.

I urge the FDIC to carefully consider this measure to ensure that the guidance does not impede my bank's ability to provide overdraft coverage services to my customers. If we are forced to abandon or significantly alter these services due to regulatory burden, the result could lead more consumers into becoming unbanked or relying on other products such as prepaid debit cards and check cashing services, which have higher fees and foster unsound financial practices.

Sincerely,  
Ken Knuteson  
262-473-1406