

From: ksmithibsc@aol.com [<mailto:ksmithibsc@aol.com>]
Sent: Monday, September 27, 2010 12:03 PM
To: Comments
Subject: FDIC Proposed Guidance on Overdraft Coverage

Kelly Smith
POB 1184
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September 27, 2010

Comments to FDIC

Dear Comments to FDIC:

By electronic delivery to:
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:

Independent Banks of South Carolina is the association representing 58 independent community banks in South Carolina.

The Independent Banks of South Carolina have concerns about the overdraft payment guidance document. Additional rules should be the result of an inter-agency effort to ensure consistency and fairness in its application for banks and the customers they serve.

Our banks do not manipulate transaction processing to generate more fees and higher revenue. We are accountable to its community and its success is dependent on a mutually beneficially relationship with the customers we serve. If we engaged in "price-gouging" tactics, we COULD NOT do business in our community.

This proposal will ultimately do a disservice to customers our banks serve, many of which appreciate the assurances that accidental overdraft coverage offers in preventing a bill being returned unpaid or a merchant-imposed fee being levied.

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,
Kelly Smith
803-772-5354