

The Huntington National Bank
Legal Department
Huntington Center
41 South High Street
Columbus, Ohio 43287



October 23, 2008

By e-mail to: comments@fdic.gov

Robert E. Feldman, Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, D.C. 20429

Attn: RIN 3064-AD36

Re: Interim Rule Regarding Mortgage Servicing Accounts
73 FR 61658 (October 17, 2008)

Dear Mr. Feldman:

This letter is submitted on behalf of The Huntington National Bank (“Huntington Bank”)¹ in response to the above-referenced interim rule, which makes certain changes with respect to deposit insurance coverage for mortgage servicing accounts.

Huntington Bank fully supports the FDIC’s approach in its revised rule to determine deposit insurance coverage for mortgage servicing accounts on a per-borrower basis for principal and interest payments of borrowers held in the servicing account by the servicer until transfer of those payments to the mortgage holder. This action by the FDIC will help depository institutions avoid the potential loss of the liquidity provided by these accounts if in the absence of such

¹ The Huntington National Bank (“Huntington Bank”) is a national bank and the principal subsidiary of Huntington Bancshares Incorporated, which is a \$55 billion regional bank holding company headquartered in Columbus, Ohio. Along with its affiliated companies, Huntington Bank has more than 142 years of serving the financial needs of its customers, and provides innovative retail and commercial financial products and services through more than 600 regional banking offices in Indiana, Kentucky, Michigan, Ohio, Pennsylvania and West Virginia. Huntington Bank also offers retail and commercial financial services online at huntington.com; through its technologically advanced, 24-hour telephone bank; and through its network of approximately 1400 ATMs. Selected financial service activities are also conducted in other states including: dealer sales activities in Arizona, Florida, Nevada, New Jersey, New York and Tennessee; private financial and capital markets group services in Florida; and mortgage banking offices in Maryland and New Jersey. Huntington Bank’s affiliate, Huntington Insurance, Inc., offers retail and commercial insurance agency services in Ohio, Pennsylvania, Michigan, Indiana and West Virginia. International banking services are made available through the headquarters office in Columbus, a limited purpose office located in the Cayman Islands and another office located in Hong Kong.

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deposit insurance coverage the mortgage holder were to require more frequent transfer of funds, or even removal of such accounts to other institutions.

However, depository institutions have similar liquidity issues with respect to loan servicing accounts that are maintained for many other types of loans that are sold into securitizations. Motor vehicle loan servicers, for example, service motor vehicle loans in much the same way as mortgage loan servicers, by collecting principal and interest payments and remitting them on a periodic basis to the securitization trustee for distribution to the investors. Thus, for the same reasons that the FDIC has taken action with respect to mortgage servicing accounts, we urge the FDIC to expand this mortgage servicing rule to include servicing for other types of loans, and particularly for motor vehicle loans. There does not appear to be any reason why loan servicing accounts for other types of loans should not be provided the same type of deposit insurance coverage as mortgage servicing accounts, since all loan servicing accounts generally serve the same purpose and work the same way as mortgage servicing accounts and are subject to the same liquidity concerns as mortgage servicing accounts.

Thank you for the opportunity to comment on this interim rule.

Very truly yours,



Daniel W. Morton
Senior Vice President & Senior Counsel