ARVEST®

April 21, 2008

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

Attention: Comments

Re: RIN 3064-AD26; Processing of Deposit Accounts in the Event of an Insurance Depository Institution Failure and Large-Bank Deposit Insurance Determination Modernization

Dear Mr. Feldman:

We are pleased to provide these comments with respect to the proposal by the FDIC as noted above. Arvest Bank is an Arkansas-chartered insured depository institution with total assets of about $10 billion.

We have read the comment letter submitted by the American Bankers Association and are generally supportive of their comments. The specific items we wish to address are as follows:

1. End-of-day balances and "FDIC Cutoff". We believe the bank's existing policy and procedures for determining end-of-day customer balances should be retained. To do otherwise would cause both confusion among customers and among those trying to resolve the bank. In addition, having to modify systems to support two different methods needlessly increases costs;

2. Covered institutions. While we believe the principal focus should be on the largest banks and thrifts in terms of amounts of insured deposits (say the Top 50 which account for about 60%), we find no viable reason to limit the applicability only to larger banks. Smaller banks typically use third party software providers who could modify the computer systems over some defined period, such as five years. Insured depositors, irrespective of bank size, deserve the same level of care in quickly resolving their insurance claims. However, if only larger banks are to be required to make these system modifications, then the FDIC should recognize the costs of compliance would not be shared among depository institutions and the FDIC should provide an appropriate level of cost reimbursement to these

covered institutions. Finally, credit unions should also be covered by these or similar regulations;

3. Repurchase agreements. These arrangements are governed by contracts and periodic regulatory examinations have the ability to assess whether the contracts comply with existing rules. The current rules specifically allow pledging of certain bank assets to collateralize these borrowings. To undo these collateralizations upon failure effectively destroys the use of repurchase agreements as a funding source. We believe the contract provisions should be honored as written. Where "sweep arrangements" exist, the sweeps should be carried out under the particular bank's established protocol for order of posting and sweeping funds;

4. Unique identification number. Banks often spend much effort in trying to link customers who may be related. The FDIC reason for linking may vary significantly from any use of the bank. We believe it is highly doubtful that the costs to maintain this "FDIC ID Number" that would be incurred by the many banks who will never fail would ever be out-weighed by the benefits achieved;

5. Notifications to depositors. We oppose any disclosures to depositors about any procedures that may apply in the highly unlikely event of the bank's closure. There is ample time to do that if the event occurs. To do otherwise is at best additional irrelevant clutter in customer communication and at worst unnecessary concern among depositors as to the safety of the banking system; and

6. Testing. Actual testing should be sharply limited to avoid the costs involved to the mostly well-capitalized and safely operated banks. Testing could be activated when the bank's CAMEL rating falls to below "2" or the bank is no longer "well-capitalized". Otherwise, the test should only be required on a time interval of once every 3-4 years.

We would be pleased to discuss these comments further should you so desire.

Sincerely,

J. Robert Kelly
Executive Vice President/Finance