
From: Lori Kelley [mailto:lori@firstfederalsl.com]

Sent: Thursday, August 12, 2010 9:23 AM

To: Overdraft Comments

Subject: OD programs

In regards to the Overdraft Payment Supervisory Guidance, it is important for regulators to realize, that banks do not make our customers overdraft. It is simply a choice they make. Very rarely is an overdraft due to a bookkeeping error. The customers who overdraft on a regular basis, are much more concerned with getting their bills paid in a timely manner than the fee associated with paying a bill they do not have the money for.

If it would be helpful, we have several customers who would attest to the need for the service and their desire to pay the fee associated with overdrafting. Some of these customers are even bank employees who fully understand how much it cost them to spend money they don't yet have.

Also, regulators need to be well aware of the fact that banks will not be covering items and making those "unsecured" loans if we are not getting paid for that risk and service. Banks will begin returning items that overdraft customers as there is no incentive for us to take the potential loss.

Please let me know if you have questions in this regard.

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