

From: Mike Lee [mlee@cnbwax.com]
Sent: Wednesday, September 22, 2010 5:32 PM
To: Overdraft Comments
Subject: FDIC's Financial Institution Letter 47-2010

Federal Deposit Insurance Corporation
550 17th Street NW
Washington, D.C. 20429-9990

DELIVERED VIA E-MAIL:
OverdraftComments@fdic.gov

Re: FIL-47-2010

September 22, 2010

Dear Sir

I am a Director and Executive Vice President for a \$540,000,000 bank that has been in our community since 1868. We employ 165 people and serve the banking needs of approximately 65,000 people.

We are a Community Bank that is proud of establishing strong relationships with Multiple Generations of Families throughout our community. If these Families felt as though we were taking advantage of them, they would certainly take their business elsewhere and we would no longer be their bank.

Setting "six overdrafts in a rolling 12-month period" is an arbitrary number and is counter to existing Reg. DD requirements. Current standards require banks to provide overdraft information to customers on a year-to-date basis. We provide overdraft coverage when our customers need it. How do we use this discretion with our customer, when "six overdrafts in a rolling 12-month period" is set as a requirement? How can we expect all FDIC examiners to have the same definition of "appropriate daily limits on customer costs" and effectively apply that definition across all Banks?

Fewer than 20% of our customers routinely utilize overdraft privileges. Many of the customers who utilize overdraft protection do so as a sound financial decision, to avoid fees and penalties from retailers and business. For those who do not use it responsibly, our Personal Bankers work with/counsel them to get them into the product that best fits their financial needs.

Overdraft protection, at our Bank, is a great insurance policy for our customers. An insurance policy that has no cost until it is used. I wish I could have home, life or auto insurance on such a plan.

Sincerely,

J Michael Lee
Director/Executive Vice President
Citizens National Bank of Texas

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