



September 23, 2010

By electronic delivery to:  
[OverdraftComments@fdic.gov](mailto:OverdraftComments@fdic.gov)

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

Re: Comments on Overdraft Payment Supervisory Guidance (FIL-47-2010)

Dear Sir or Madam:

Lamar Bank & Trust Company (LBT) is appreciative of the opportunity to submit comments to the proposed Overdraft Payment Supervisory Guidance issued by the Federal Deposit Insurance Corporation (FDIC). LBT was founded in 1925 and operates one full service facility in the rural southwest Missouri community of Lamar (pop. 4,425). LBT has operated a fully disclosed, compliant and documented overdraft program since 2001. Strunk & Associates, LP consulted on the implementation of our program and continues to provide ongoing compliance services. LBT currently has 4,712 checking accounts, of which 3,155 have Overdraft Privilege available and approximately 12% use the program.

Not unlike other institutions, LBT spent a considerable amount of time and resources to complete the requirements set forth by Regulation E. At the completion of the project, it was apparent to us that the overwhelming majority of our account holders expect and want their ATM and non-recurring debit card transactions to be paid. This is evident as only 55 account holders that had used the product over the past two years opted out of the program. With these results, we disagree with the proposed requirement to require account holders to again opt-in for transaction types not covered under Reg E. Furthermore, Reg E empowered the customer with a method to opt-out of the program at any time. To date, we have had only a few customers opt-out after August 15th.

With respect to the proposed requirement whereby the bank would monitor the program for “excessive and chronic customer use”, we feel the monitoring would be overwhelming and the follow-up with customers would be embarrassing and annoying. We provide our customers with numerous methods to track their account balances and have provided notification & education (Reg E required disclosures) of other available alternatives. Additionally, the number of NSF items are clearly reported on customers statement. As a result, we feel the vast majority of multi-occasion users understand the product and have chosen to use it regularly, however “irrational” the choice might be.

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**Lamar Bank & Trust Company**

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In summary, we are welcome to constructive regulations, some of which are contained in this Guidance, but feel that the majority of this Guidance is redundant with previous regulations, will impose significant new costs and will end up with little or no consumer benefit.

Again, Lamar Bank & Trust Company appreciates the opportunity to comment on this matter.

Respectfully,

Patrick B. O'Neal  
Executive Vice President & CFO