

September 27, 2010

Federal Deposit Insurance Corporation  
550 17<sup>th</sup> St., NW  
Washington, D.C. 20429-9990  
Attn: [REDACTED]

Re: FIL-47-2010

Dear [REDACTED]

This letter is written to comment on the FDIC's FIL-47-2010. The comments contained herein are those of Pioneer Bank only.

We are specifically concerned with that part of the FIL which discusses having institutions take action if a customer overdraws his or her account on more than 6 occasions where a fee is charged in a rolling 12 month period. Pioneer Bank already has developed a monthly process for the review and monitoring of accounts with ODP where a fee is charged. The implementation of such a new requirement would impose a tremendous monitoring and compliance burden on the bank by greatly expanding the field of customers the bank looks at. Given the additional requirement to contact a customer regarding other alternatives, setting the threshold at so low a number would result in a tremendous compliance burden.

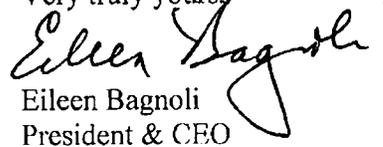
A more appropriate alternative would be to require institutions to develop and implement a monitoring system for frequent users of ODP that is appropriate to the size of the institution, and its customer base. Such a monitoring system would better allow institutions to tailor their monitoring to their customer base, rather than adopt a "one size fits all" approach. Picking an arbitrary number and time frame, such as six transactions in a rolling 12 month period, would be more appropriately replaced by a monitoring system that is specific to the needs of individual institutions and their customers.

While Pioneer Bank does not object to the proposed requirement for an institution to contact a customer to discuss less costly alternatives to automated overdraft payment programs, the proposal should require only that the institution notify the customer in writing, and offer the opportunity to discuss available alternatives, either in person or over the phone. As currently written, the proposal requires the institution to discuss such alternatives in person or over the phone. An institution could be subject to negative actions due to a customer's failure or refusal to meet in person or over the phone. A

more reasonable alternative is for the institution to notify the customer in writing, and provide the opportunity for the customer to meet, should the customer so desire. A decision by the customer not to meet should be interpreted as the customer's decision to continue the existing fee-based overdraft coverage.

Thank you for the opportunity to comment on this proposal. If you have any questions regarding this matter, please do not hesitate to call me.

Very truly yours,

A handwritten signature in black ink that reads "Eileen Bagnoli". The signature is fluid and cursive, with a large loop at the end of the last name.

Eileen Bagnoli  
President & CEO