

From: jbair@fcnbanks.com [mailto:jbair@fcnbanks.com]
Sent: Monday, September 27, 2010 4:48 PM
To: Comments
Subject: FDIC Proposed Guidance on Overdraft Coverage

Jolene Bair
P O Box 731
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September 27, 2010

Comments to FDIC

Dear Comments to FDIC:

By electronic delivery to:
OverdraftComments@fdic.gov

Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429-9990

Re: Overdraft Payment Supervisory Guidance, FIL-47-2010, August 11, 2010

Dear Sir or Madame:

I work for a rural community bank that has been in business for 100+ years. My bank does not manipulate transaction processing to generate more fees and higher revenue. My bank is accountable to its community and its success is dependent on a mutually beneficial relationship with customers. If we engaged in "price-gouging" tactics, we COULD NOT do business in our community.

I strongly oppose the FDIC's proposed guidance (FIL-47-2010) that addresses overdraft coverage programs. Simply put, now is not the time to introduce further regulation targeted at overdraft coverage products.

I fear that this proposal will ultimately do a great disservice to our customers, many of which appreciate the assurances that accidental overdraft coverage offers in preventing a bill being returned unpaid or a merchant-imposed fee being levied. If regulatory barriers and requirements become too burdensome, we will be faced with discontinuing these services and returning all check and ACH transactions, exposing our customers to fees far greater than those imposed by my bank.

I urge the FDIC to carefully consider this measure to ensure that the guidance does not impede my bank's ability to provide overdraft coverage services to my customers. If we are forced to abandon or significantly alter these services due to regulatory burden, the result could lead more consumers into becoming unbanked or relying on other products such as prepaid debit cards and check cashing services, which have higher fees and foster unsound financial practices.

Sincerely,

Jolene Bair
573-885-3219