

From: clowe@thebankforme.com [<mailto:clowe@thebankforme.com>]
Sent: Monday, September 27, 2010 1:14 PM
To: Comments
Subject: FDIC Proposed Guidance on Overdraft Coverage

Valerie Clowe
500 W Main St Ste101
Farmington, NM 87401-8447

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:

Four Corners Community Bank is a local bank in the four corners area. We have been in business about 10 years and are a healthy financial institution. 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. My bank has just implemented new requirements under Regulation DD (Truth in Savings) and Regulation E (Electronic Fund Transfers) at great expense and manpower. Having to rework our bank's deposit products and to accommodate a regulatory moving target does not help my bank serve its customers. We price this fee to manage the associated risk and as a deterrent to encourage consumers to engage in more financially-responsible practices. We currently see "repeat offenders" all the time. At some point these people must take responsibility for their own accounts. Why should the bank be covering all these overdrafts(basically an interest free loan) only to end up taking a loss in the end? Bottom line, if you dont have the funds, do not write the check! That is the way to avoid overdraft fees.

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,
Valerie Clowe