

From: dcowles@banksouth.biz [<mailto:dcowles@banksouth.biz>]  
Sent: Monday, September 27, 2010 9:08 AM  
To: Comments  
Subject: FDIC Proposed Guidance on Overdraft Coverage

David Cowles  
PO Box 730  
Greensboro, GA 30642-0730

September 27, 2010

Comments to FDIC

Dear Comments to FDIC:

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

BankSouth is a local, family owned community bank. We currently have \$250 million in assets. With approx. 48% of the local deposits on deposit with us, I feel that the community supports how we operate our bank, including our OD policies. In fact, we receive many thanks from our customers for paying their check when funds are insufficient. Not only are our customers spared the embarrassment of a returned check, they are also spared another charge from the retailer that presented the check and the possibility of being "black-listed" at the retailer from having further checks accepted.

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.

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 beneficially relationship with customers. If we engaged in "price-gouging" tactics, we COULD NOT do business in our community.

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,

David S. Cowles, EVP & COO  
706-454-2444