

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

Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20429-9990

Ladies and Gentlemen,

StellarOne Bank is a community bank located in the Commonwealth of Virginia, currently operating 56 financial centers located in the New River Valley, Shenandoah Valley, Central and North Central Virginia. With assets over \$3 billion, StellarOne is one of the largest independent commercial banks headquartered in Virginia and we serve approximately 110,000 consumer accounts across the Commonwealth.

As one of the largest independent banks operating in the Commonwealth, we have borne a significant burden tied to compliance with and customer communication of the amendments to Regulation E. We formed a task force including representatives from Compliance, IT, Deposit Operations, Marketing, Retail Delivery, Training and others, as needed. We held weekly meetings, beginning in February, 2010 to manage the numerous tasks required to complete all operational changes essential to meeting the mandatory changes affiliated with Regulation E. We held mapping sessions to “map” the various processes which would change in order to comply with the amendment to Regulation E and then applied those required changes. Numerous hours were devoted to working closely with our core processor to manage the necessary alterations to our core system processes. We built a strong training program and delivered that program to our employees to ensure the knowledge of all aspects of the customer impact and the operational changes necessary were communicated. We produced two mail communications to customers, a website notice, and in-branch postings, as well. We also called customers to explain their options and to help avoid issues attached to the amended Regulation E. The expense tied to these operations conversions, communications and “man hours” deployed, was a significant burden to our company, in a time which community banks are working diligently to manage multiple challenges involved in serving our customers at an optimal level.

It is our firm request that the FDIC avoid the imposition of prescriptive new monitoring or follow-up requirements. To implement a tracking and follow-up regime in order to communicate to each consumer that has six overdraft transactions in a rolling twelve month period would be burdensome, and research indicates ineffective in altering consumer behavior.

Our customers may be embarrassed and annoyed at the contact from the bank when they have chosen to be allowed to overdraw and pay a fair fee for that overdraft via their opt-in status. It is our stance that customers who choose to utilize this benefit have made their personal choice. They will also have the availability to change their directive at any time in the future.

Our reputation in the communities we serve is driven by our exemplary service to our customers. It is our stance that the level of service now offered is impeded by the proposed additions to impose new monitoring and follow-up requirements.

In addition, we ask that our Board of Directors not be charged to undertake a granular review of our overdraft program features. Directors have neither the time nor the expertise to perform such a finite review. Community banks are the lifeblood of our communities and our Board’s mission is to govern the

recommendations of bank management for the good of shareholders and customers, not to rule on features of benefits supplied to customers.

I submit this response to the proposed Federal Deposit Insurance Corporation's expectations for management and oversight of automated overdraft protection programs on behalf of StellarOne Bank. Thank you, in advance, for your due consideration.

Sincerely,

Gregory W. Feldmann  
President & Chief Executive Officer  
StellarOne Bank