



September 27, 2010

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

To Whom It May Concern:

We are pleased to have the opportunity to comment on recent FIL-47-2010 dated August 11, 2010 regarding Overdraft Payment Programs and Consumer Protection Supervisory Guidance.

We support the recent comment letter issued by the American Bankers Association (ABA).

Our bank has a program that takes into consideration recommended 'best practices.' Examples of best practices include:

- A daily limit of 5 items subject to our overdraft charges.
- Exclusion of overdrafts under \$10.00 from overdraft fee assessment.
- Payment of checks in check number order after posting of electronic transactions.
- Contacting our customers in person by letter or phone when they reach a prescribed dollar limit of overdraft charges.
- Providing financial education or like tools for money management.
- Referral to Consumer Credit Financial Counseling Service if appropriate.

The Courtesy Overdraft Program is a service we offer our customers. The customer has the ability to cancel courtesy overdraft protection at any time. At account opening, since November 2009, our customers have been asked if they want to opt-in or opt-out of our courtesy Overdraft Program in writing, whether it be for checks, ACH, recurring debit transactions or the recently enacted Regulation E requirements which we began April 2010. Our experience is that our customers understand and want this service.

Under the new FIL, we would need to track and generate reports of customers that incur six overdraft transaction fees in a rolling twelve-month period. Of concern would be the reaction of our customers being constantly called by the bank. The financial institution letter suggests that such contact must be in person or by phone. This would be a very time consuming burden for the consumer and the bank, given the rather low threshold suggested.

In an effort to comply with recently imposed Regulation E opt-in requirements, the bank has already absorbed significant additional expenses in technology, mailings and personnel. Some of the administrative burdens that result from further new monitoring requirements would only add to the already burdensome process. In particular, as mentioned above, the requirement that customers be contacted after 6 overdrafts in a 12 month rolling period would create unnecessary incremental costs and further impact a high level of quality service that we provide.

As an example of customer service impact, some customers have already indicated they are tired of us contacting them and would prefer us not calling regarding their overdrafts. We have found that our customers are well aware of the level of fees they are paying and consider it an added service to them.

We want to thank you for the opportunity to comment.

Sincerely,
Thomas Garfield
Executive Vice President
Consumer Services