

From: markhewitt@northwoodsbank.com [mailto:markhewitt@northwoodsbank.com]  
Sent: Monday, September 27, 2010 4:03 PM  
To: Comments  
Subject: FDIC Proposed Guidance on Overdraft Coverage

Mark Hewitt  
PO Box 112  
Park Rapids, MN 56470-0112

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:

I am the CEO/Owner of a \$115 million community bank that has served a rural Minnesota community for over 90 years.

Once again, federal agencies want to tell me how to run my business, what products to offer, how to price them and how to provide customer service. I strongly oppose the FDIC's proposed guidance (FIL-47-2010) that addresses overdraft coverage programs.

We have just spent hours of time implementing the recent Reg DD and Reg E requirements. Can we have a little time to digest this before you hit us with more changes?

We feel our overdraft programs meet the needs of our customers and treat them fairly and provides flexibility in dealing with special circumstance. The vast majority of our customers are never overdrawn, but find comfort in knowing that if they make a mistake, we can cover it.

The more rules and regulations you require us to comply with, the less flexibility we have to provide the product and services our customers want. We went didn't treat our customers well, we would be out of business.

In the business world, most products are priced based on the perceived value by the customer, not necessarily cost. Hence, people will pay over \$1 for water at a store, for a product that is basically free everywhere. Why do you insist that banking be different!

Regulator burdens over the 36 years I've managed this bank are beginning to bury us. I worry greatly about our ability to remain competitive with the giants of the industry than can spread these costs out.

Sincerely,

Mark Hewitt, CEO  
Northwoods Bank of Mn  
Park Rapids MN

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,

Mark Hewitt  
218-732-7221