

From: solinger@fsbmsla.com [<mailto:solinger@fsbmsla.com>]
Sent: Monday, September 27, 2010 11:48 AM
To: Comments
Subject: FDIC Proposed Guidance on Overdraft Coverage

Suzan Olinger
100 E Broadway
Missoula, MT 59802-4511

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:

First Security Bank of Missoula is a community bank with an asset size of \$950M. We have 26000 consumer deposit accounts. Approximately 250-300 people over draw their accounts on a daily basis. To counsel these individuals is unthinkable. The bank would have to add a full time employee just to make the phone calls and counsel these individuals.

At some point the consumer must take responsibility for the way they manage their money. We as a community bank do not manipulate our customer's into thinking that overdraft is a way to manage money. Nor do we encourage that type of behavior.

We did extensive education during the roll over of opt in and continue to educate and counsel our customers. Those individuals that choose to overdraw their account no full well the cost associated with this service. Also, to call someone after an inadvertent overdraft and offer counseling would be an insult.

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.

To eliminate the requirement to set daily thresholds on overdraft fees. We price this fee to manage the associated risk and as a deterrent to encourage consumers to engage in more financially-responsible practices. We charge a moderate fee below our competition in our market areas. We have branches in both rural and suburban communities.

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,
Suzan J Olinger, AVP Compliance
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