

From: eksleeth@wiltown.com [mailto:eksleeth@wiltown.com]
Sent: Monday, September 27, 2010 10:33 AM
To: Comments
Subject: FDIC Proposed Guidance on Overdraft Coverage

E K Sleeth
89 Ivybrook Rd
Parkersburg, WV 26101-7547

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:

Williamstown Bank is a community bank located in Wood County, West Virginia. We have a long tradition of serving our local communities.

We very much attempt to treat our customers fairly and honestly. The programs we use to help us manage our overdraft issues have improved our efficiency and still provide straight forward information to our customers. Less than 20 percent of our checking account customers have had multiple overdraft charges in the last year.

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.

I fear that this proposal will ultimately do a great disservice to my customers, many of which appreciate the assurances that accidental overdraft coverage offers in preventing a bill being returned unpaid or a merchant-imposed fee being levied. If regulatory barriers and requirements become too burdensome, I will be faced with discontinuing these services and returning all check and ACH transactions, exposing my customers to fees far greater than those imposed by my bank, as well as severe consequences due to legal actions of merchants and retailers.

The handling of both paid items into overdraft and return item processing is an expensive and time consuming process. Our charge of \$29/item for up to four items when an account is overdrawn more than five dollars, we believe, is fair and reasonable.

Please do not add additional burden to this process that will ultimately pass to other customers who do not use, and should have to pay for, these services.

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,
E K Sleeth
3043756262