

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

Joe Wachtel
PO Box 98
Big Prairie, OH 44611-0098

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:

Community banks continue to pay for the sins of big banks, and a regulatory system that completely failed to rein in those who were creating the disaster the financial system just went through. Many of the new rules and regulations are knee-jerk reactions, and put undue burdens on community banks. This rule is just more over-reaching.

I strongly oppose the FDIC's proposed guidance (FIL-47-2010) that addresses overdraft coverage programs. Simply put, this is not the time to introduce further regulations targeted at overdraft coverage products. Our bank has just implemented new requirements under Regulation DD (Truth in Savings) and Regulation E (Electronic Fund Transfers) at great expense and manpower. These expenses have to be passed on to the customer, or banks everywhere will close due to not making ANY profit!

Also, I fear that this proposal will ultimately do a great disservice to my customers, many of whom appreciate the assurances that accidental overdraft coverage offers in preventing the embarrassment of a bill being returned unpaid or a merchant-imposed fee being levied. If regulatory barriers and requirements become too burdensome, we will no longer offer these services, and return all check and ACH transactions, exposing our customers to fees far greater than those imposed by my bank.

Our bank does not manipulate transaction processing to generate more fees and higher revenue. We are accountable to our community, and its success

is dependent on a mutually beneficial relationship with customers. If we engaged in "price-gouging" tactics, we COULD NOT do business in our community. It's just that simple!

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,
Joe Wachtel