



Our One Priority Is You.™

September 23, 2010

Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street NW  
Washington, D.C. 20429-9990

DELIVERED VIA E-MAIL:  
OverdraftComments@fdic.gov

Re: FIL-47-2010

Dear Sir or Madam:

I am a community banker and a strong believer in the nation's community-based, consumer-oriented system of small financial institutions. It is our mission to bring financial services to consumers in a manner that provides the public with affordable financial products. I would ask you to keep in mind that community banks across this nation, unlike many of the larger and less consumer-oriented institutions, have remained fiscally strong and responsive to their customer's needs throughout its history.

The FDIC's proposed guidance on overdraft programs seems to suggest that community bankers are willfully and deliberately attempting to take advantage of their customers in order to enhance profits. Most concerning is the implication that banks are trying to mislead customers and, in doing so, charge them with unfair and deceptive overdraft charges. It should be noted that banks do not charge customers overdraft charges unless the customer violates the deposit contract agreed to by both the bank and the customer. Furthermore, with the recently implemented opt-in rules on overdraft charges, the consumer must agree to be charged for overdrafts caused by one-time debit card or ATM transactions. It is troubling to think that a for-profit enterprise, with whom its customers have a contractual relationship, must limit the amount of fees that a customer could incur as a result of violating their contract when these fees were fully and clearly disclosed to the customer prior to the establishment of the contractual relationship and specifically agreed to by the customer. Doing so would seem to suggest that a contract between two parties, a foundation of American law, is not sufficient to govern the relationship between the bank and its customer.

The recommendation that banks monitor overdraft usage on a rolling 12-month time frame and counsel customers would impose considerable compliance burdens with very little benefit. Requiring banks to contact customers in addition to the existing Regulation DD requirements will cause additional staffing and materials costs that will ultimately have to be passed along to consumers. Furthermore, a banker calling a consumer every six months to counsel him or her on credit alternatives could be viewed as harassing.

Please understand that our relationships with our customers are the basis for our existence. As community bankers, we know that building strong and lasting positive relationships with our customers is the only way to help build and support our communities and to prosper as a financial institution.

I appreciate your providing me with the opportunity to comment on this matter and I hope the FDIC will reconsider the promulgation of this guidance.

Sincerely,  
  
Chester White  
Division President