

From: zink@thebankforme.com [<mailto:zink@thebankforme.com>]
Sent: Monday, September 27, 2010 12:03 PM
To: Comments
Subject: FDIC Proposed Guidance on Overdraft Coverage

Janna Zink
41 County Road 5117
Bloomfield, NM 87413-9706

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:

I work at a community bank and our main focus is small business lending. We have a little over 200 million in assets. We do not have an overdraft program we pay on a discretionary basis.

The elimination of the requirement that banks monitor programs for excessive or chronic use (six overdrafts in a rolling twelve month period) and then contact the customer (in person or via telephone) to discuss less costly alternatives. This mandate would be extremely burdensome and operationally unworkable for my bank and would result in an excessive number of calls, causing us to either discontinue our overdraft coverage program, or to close the customer's account and return all payments. You will be asking us to council people on their overdrafts without any fee income to cover the expense of the program. We live in an area where bad checks are the biggest crime. I can't believe you want to take one more thing away from what an individual should be responsible for. Don't you think human beings have some responsibility for their actions.

To allow banks to charge a fee for returning items paid by check or ACH. Processing return items represent expense and employee attention and should not be provided free of charge. It takes our bank several hours to process NSF items each day.

Free enterprise should dictate how we charge our fees. If you continue to take away our revenue streams the only banks that can survive are the really large banks; then we really will have too big to fail financial institutions. Please don't vote to increase the regulatory burden the financial institutions are having to deal with right now. Let us get a grip on all the new regulations before you start adding more rules.

Thank you,

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,
Janna Zink
505-632-3492