



December 12, 2018

Via Email: regs.comments@federalreserve.gov
Ms. Ann Misback, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Regarding Docket No. OP-1625, Interbank Settlement of Faster Payments

Dear Ms. Misback,

Wyoming Bank & Trust appreciates the opportunity to comment on potential actions of the Federal Reserve Bank to support interbank settlement of faster payments. We agree with the Federal Reserve Bank that the expectations for payment are in flux and developing. Users expect, as they should, access to a faster system that is easy to use, readily available, and reliable. We believe that now is the time to make real time payment systems a priority.

Wyoming Bank & Trust fully supports and expects the Federal Reserve to play a role in the evolution toward faster payments as proposed in the October 3, 2018 Federal Register Notice.

Wyoming Bank & Trust is a true community bank, approaching our 100 year anniversary in 2019. Starting out in Burns, Wyoming (population 354) as Farmers State Bank of Burns, we changed our name to Wyoming Bank & Trust in 1995 when we opened a new office in Cheyenne, Wyoming. We have since grown from an \$18mm bank to over \$200mm today but still operate as a local, community based bank.

As a small, locally based bank, we have to deal with many competitors. Today, people do business with us because they appreciate the small-town, know your customer bank. Many of our customers have had very negative experiences with the larger banks and tell us they will never bank with the "mega-banks" again. Even though we have a very faithful and loyal customer base, our customers expect and deserve the latest and proven financial products. We have invested in keeping up with technology and do offer most of the latest technology but at a much greater cost per customer than most of our larger competitors. A real-time payment

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system that is available, equitably to all banks, is paramount to local banks being able to continue to serve our community and remain viable going forward.

As a recent example, we felt as though we needed to join the Zelle payment system to make sure our customers had access to a faster payment system. This system, owned and managed by our “mega-bank” competitors cost us a substantial sum and we are still waiting after several months to get up and running on the system. Knowing that our ability to provide services to our customers lies in the hands of our competitors does not make for good corporate strategy and something that I would think our examiners would have some concern over as well. I have also dealt with other customers who do not realize that the funds held with Paypal, Venmo, etc are not like a bank deposit and there is no guarantee that these “deposits” are secure.

Finally, to summarize, Wyoming Bank & Trust would request that:

- The Federal Reserve develop a 24x7x365 Real Time Gross Settlement Service (RTGS) for faster payments, which would open settlement services to more parties, reduce interbank settlement risk and potentially simplify clearing functions,
- The Federal Reserve develop a liquidity management tool to complement its RTGS service as well as other private-sector solutions,
- The Federal Reserve commit to an operational role in the development of a faster and improved payment system. Without the Federal Reserve linking together the nation’s financial institutions, thousands of community banks and their customers will be placed in at a competitive disadvantage, and
- The Federal Reserve should be expeditious and transparent in their decisions regarding their role in supporting faster payments to remove the cloud of uncertainty and facilitate community banks in developing competitive offerings.

Wyoming Bank & Trust appreciates the opportunity to share our thoughts and would be happy to discuss our comments in further detail.

Sincerely,



Jeff Wallace
CEO