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February 22, 2008

Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington DC 20551

RE: Docket No. R—1307; Proposed Amendments to Regulation D

Dear Ms. Johnson:

We have read the Board's recent proposal to amend Regulation D, specifically in respect to the savings and money market account transaction limitations commonly referred to as the "Six-Three Distinction".

First, let me express appreciation to the Board for their attention to this specific area of sorely needed regulatory burden. As I am certain you are aware, these transaction limitations implemented by Regulation D have been burdensome to both consumers and to the financial industry.

While First Harrison is appreciative of the attention being paid to this matter, we believe that the Board's proposal does not go far enough to reduce or eliminate the regulatory burden that this provision of Regulation D imposes.

The Board's proposal to eliminate the "three" distinction, and simply include them in the "six" category, while leaving other types of withdrawals and transfers unlimited still leaves a substantial regulatory burden and element of consumer confusion in place. Under such a proposal, banks must still spend significant time programming core systems to identify which transactions fall into which category, monitoring excessive transactions, mailing notices to customers, handling customer inquiries, and ultimately finding alternate means to meet the customer's account needs. It is these pieces of the regulation that pose the significant burden, and the Board's proposal, in current form, does little to relieve these burdens.

It seems that a more practical change would be to simply establish a transfer/withdrawal limit for these types of accounts, and avoid arbitrarily declaring certain types to be limited, while leaving others unlimited. Such a change would provide significant relief to institutions in regard to monitoring, in addition to being simpler for consumers to understand. Every bank affected by these limitations can tell you that it is not an easy

thing to explain to a customer that, “We cannot process your request because you have already had six internet transfers for the month. However, if you would like to come in to a branch or go to one of our ATMs, we would be happy to accommodate you.” When the customer asks why we are limiting their access to their account in some ways but not others, what are we to answer? Should we relay the Board’s stated reasoning and respond that the FRB has chosen to limit certain kinds of transfers and withdrawals that it considers to be convenient for the customer? The net effect of this provision of regulation is ultimately the opposite of most regulations (consumer protection), and instead results in consumer confusion and frustration.

Additionally, arbitrarily declaring certain types of transactions to be limited while leaving others unlimited neglects the fact that methods of account access are constantly evolving faster than regulators can issue opinions regarding into which “bucket” a new access method should fall. The industry has witnessed this problem in recent years with the advent of internet and other electronic payments systems, and has been left for periods of time in limbo regarding how to treat certain types of transfers and withdrawals. This has resulted in inconsistent implementation and enforcement of the regulation.

I think this raises the question of why do we have any limits on these accounts Again, thank you for your attention to this matter and we trust that you will take these comments into consideration.

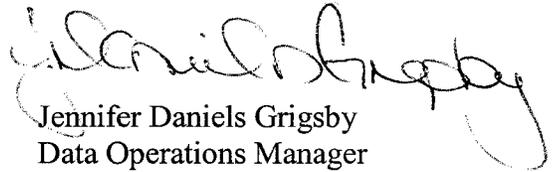
Sincerely,



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Jason Pendleton
Compliance Officer



Jennifer Daniels Grigsby
Data Operations Manager

encl: Questions from customers

Why can I make as many transfers at the ATM as I want, but I am limited on I-Banking and Moneyline (24 hour telephone system)

Why do you offer Overdraft Protection from my savings account then after 6 transfers tell me I have to change my account type?

You said I could have 6 ACH w/d, but I use my debit card 3 times I can only have 3 ACH w/d, why is that.