

From: Frost National Bank, Cliff McCauley  
Subject: Reserve Requirements

---

Comments:

Date: Mar 02, 2009

Proposal: Regulation D - Reserve Requirements of Depository Institutions  
Document ID: R-1350  
Document Version: 1  
Release Date: 01/29/2009  
Name: Cliff McCauley  
Affiliation: Frost National Bank  
Category of Affiliation:  
Address: 100 W. Houston  
City: San Antonio  
State: TX  
Country: UNITED STATES  
Zip: 78205  
PostalCode:

Comments:

Frost Bank appreciates the actions of the Federal Reserve to ammend Regulation D to allow limited-purpose accounts known as "Excess Balance Accounts" (EBAs). Frost Bank supports the establishment of EBAs to promote interbank liquidity management between community bank respondents and correspondent banks. The ability of correspondent banks to continue serving the community bank market through EBAs will provide the liquidity that is necessary for the operation of a bank in today's economy. We would request one ammendment to the proposed rule to allow participants to designate multiple agents for management of the EBAs. This will provide for multiple sources of liquidity for a community bank to rely upon when overnight funding is necessary. Thank you for your consideration of these comments.