

From: First National Bank at St. James, Evie Hermoe

Subject: Electronic Fund Transfers

Comments:

We have concerns with the proposed reg in that our debit card transactions are approved by a third party processor based on predetermined limits for each cardholder. Nothing is real time and we do not submit batch balances. Transactions cannot be returned unpaid with this system so we are required to honor everything that posts to the cardholder's account. It is only reasonable we should be compensated for honoring transactions that overdraw an account. Banks using this method of authorization should be exceptions to the fee prohibition.

Thank you for your consideration.

First National Bank at St. James
Evie Hermoe
Cashier