

From: Tioga State Bank, Anne McKenna
Proposal: 1419 (RIN 7100-AD76) - Reg E - Electronic Fund Transfer
Subject: Reg E - EFT

Comments:

Comments on new regulations regarding wire transfers to foreign countries:

Tioga State Bank is a community bank that prides itself on serving customers in many rural communities in upstate New York. In many of our communities, we are the only financial institution. Part of our service is to assist them when they need to send funds to foreign countries. We currently do this through a larger correspondent bank. Because we are not handling these transactions directly, we cannot give specifics (such as exchange rates, fees and exact dates of delivery) to our customers before the transaction is completed. Although we can certainly tell them what the TSB fee will be, because the wires are in the hands of other entities (including foreign banks) the exact timing and exchange rates will vary, as will the fees passed back to our customers by the correspondent banks.

If this regulation is passed without considering the impact to the smaller community banks in this country, the FRB will have taken yet another service away from the consumers and businesses on Main Street. As a financial institution for over 140 years, we have proven that we are capable of providing the same service as the larger banks while maintaining a focused attention on our communities and on what is best for each individual customer. We have managed the increased cost and the increased time necessary to comply with the onerous regulations that have recently come our way. If you take away our ability to service, however, you will certainly set our existence on a perilous path.

There will also be a heavy burden on many of our customers if this regulations passes. Many are elderly and cannot get to the larger communities where they can find a bank that sends foreign wires directly. Many find themselves in a situation where they need to send funds quickly and do not have the time (or the ability) to get themselves to the larger cities and towns. This regulation goes against the overriding intent of recent regulations meant to protect consumers.

Please think again about the implications for the smaller banks, as well as the rural population, before passing this regulation. Our intentions are always to be as open and up front with our customers as possible. If it is not possible, we should not be penalized.

Respectfully submitted.

Anne McKenna
Tioga State Bank