

Ed Kubaitis
Community Hardware
44 Church Street
Little Silver, NJ 07739-1434

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

Dear Secretary Johnson-

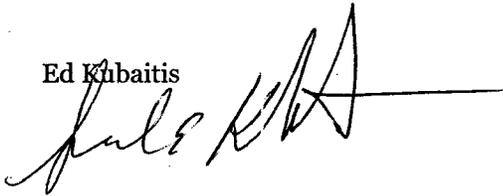
As the manager of a small, single owner hardware store, I sometimes have to tell customers that we just don't have what they are looking for. We take pride in our personal service, and I know I am doing my job when they say, "Oh no! You don't mean that I have to go to Home Depot?" Sadly, it is becoming increasingly more difficult to compete with the big chain stores. The recent reform that Congress and the Federal Reserve have brought to the debit card industry is somewhat unexpected, but much appreciated good news. It will help to level the playing field.

About 52% of our sales are generated through credit and debit cards, but the monthly fees that we pay to offer this convenience to our customers has grown over the last few years and become a very substantial amount. The Federal Reserve's rule that debit card transactions should be no more than 12 cents will certainly make these fees fairer. We also appreciate the option to set a cash minimum for debit and credit card purchases. Both of these reforms will save us money at a time when every other expense seems to be increasing.

Will our hardware store be able to survive? So far, we are holding our own and meeting the needs of our small community of 5,000. When you face pressure from big business and the big credit card companies, please remember small business. Our very survival is at stake and we need your help.

Thank you for your help,

Ed Kubaitis

A handwritten signature in black ink, appearing to read 'Ed Kubaitis', with a long horizontal line extending to the right.