



THE PARIS NATIONAL BANK
PARIS, MISSOURI

July 30, 2008

Jennifer J. Johnson	Regulation Comments
Secretary	Chief Counsel's Office
Board of Governors of Federal	Office of Thrift Supervision
Reserve System	1700 G Street, NW
20 th St. & Constitution Avenue, NW.	Washington, DC 20552
Washington, DC 20551	ATTN: OTS-2008-0004

Re: BOARD Docket No. R-1314; OTS Docket No. OTS-2008-0004;
Unfair of Deceptive Acts of Practices; 73 *Federal Register* 28904;
May 19, 2008 (UDAP Proposal)

Dear Ladies and Gentlemen:

I am writing to provide comments on the rule proposed by the Federal Reserve Board, the Office of Thrift supervision and the National Credit Union Administration which covers Unfair or Deceptive Acts or Practices (UDAP) involving overdraft protection service charges and fees.

We are a small (\$72 million total assets) rural community bank in northeast Missouri and have been in business since 1865. Since we implemented our overdraft protection program several years ago, we have not had a single complaint from customers regarding this service or how it has been handled. It is a service which we provide and, generally speaking, our customers like it and appreciate the fact that we do not indiscriminately return checks unpaid. As you are aware, overdraft fees can be avoided by banking customers without requiring specific advance notice and "opt-out" provisions. Again, our bank offers overdraft options today (see enclosed brochure) without the burdensome compliance exercise of a formal one-size-fits-all opt-out requirement.

Regarding the proposal for a partial opt-out for ATM and debit card transactions while retaining full coverage for checks/paper and ACH items, we do not believe that this is technically feasible using our current item processing system. If the processing system could be modified to comply with provisions in this proposal, there undoubtedly would be numerous exceptions due to the complexity of the revised system. In addition, this could adversely impact those customers who use debit cards for recurring payments.

A SUBSIDIARY OF PARIS BANCSHARES, INC.

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With respect to the proposal covering debit holds, first of all we believe this provision is far too complicated to be implemented and, secondly, our customers probably would not understand it. This problem involves actions by the merchants and card networks. It cannot be solved by banks like us who are operating in a safe and sound manner and strive to assure that funds are available for authorized transactions.

In regards to the proposal on payment clearance processing and the order of recognizing payments, we strongly object to any such regulatory requirements. As you may be aware, the timing and order of recognition varies across the banking industry to take advantage of system efficiencies. Trying to regulate this would be a micro-managing nightmare. Further, no single rule (such as low to high) is practical, since different types of items are presented for processing at different times. And, if we let our customers select an alternative payment processing order, the problem is compounded as this would be absolutely impossible to manage.

Again, we believe that the overdraft accommodation programs that our bank and many other banks use are sound and successful primarily because customers want it and recognize that it provides value.

Thank you for the opportunity to comment.

Sincerely,



Charles R. Brazeale
CEO

Enclosure

Cc: OCC