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Name: Suzy Hall

Affiliation: The Park Avenue Bank

Category of

Affiliation: Commercial

Address: 3250 N. Valdosta Rd.

City: Valdosta

State: GA

Country: UNITED STATES

Zip: 31601

PostalCode: 31602

Comments:

Docket No. R-1314 Truth-in-Savings-Reg DD Unfair and Deceptive Acts or Practices-Reg AA Overdraft Services June 10, 2008 In regard to the proposals for the overdraft opt-out requirements, we offer the following comment: Our institution currently offers three types of overdraft services. We give a disclosure at account opening outlining each service in order of "best to worst" with "worst" being the courtesy overdraft plan discussed in this comment letter. In addition, we offer an Opt-out for the courtesy overdraft plan. Our fees for insufficient funds and paid in overdraft are the same, as it seems many financial institutions are. The fees are disclosed separately on the statements. We do not charge a daily overdraft fee in addition to the standard item fee partly due to Georgia Usury restrictions. The disclosure described above fits on a full 8.5 x 11 sheet of paper. To add additional requirements as recommended in the proposal would lengthen the disclosure. It is felt that the longer a disclosure is, the less likely a consumer will actually read it. It is also felt that our current disclosure provides more beneficial information to the consumer than the proposed disclosure does. Because of the manner in which our products are handled, it seems it would be confusing to the average consumer to be given an opt-out on the statement or any other

notification method due to an account being paid into overdraft at the institutions discretion as essentially this method saves the customer money as opposed to returning the check and in turn they incur additional charges from the merchant. It is understandable to require this of institutions that charge excessive fees, or any fee over the standard NSF fee. At the same time, it appears burdensome to require full opt-out on each applicable statement, as this will make the statement itself longer and more costly to produce, particularly for those institutions that charge the same fees for both situations. In addition, requiring the opt-out to be in close proximity to the aggregate fee disclosures every time a fee is present presents a burden on pushing all other pertinent account information further down and potentially inconvenient to the consumer. On the other hand, if the opt-out is given at the time of mailed notice to the consumer, it will require a full sheet vs. the current 1/3 sheet of paper, thereby again creating a cost burden to the institution. Even though the proposal only requires this separate opt-out sent once during a statement cycle, this will potentially create programming issues and additional costs to the institution without appearing to offer any real benefit to the consumer. In light of the current economic conditions, it is likely banks will raise NSF/OD fees to help increase income. They may raise them even more to help offset the increase in expense this mandate will cause. In conclusion, it seems that the consumer should accept some responsibility for the way they handle their account. They should be aware of their balance and know when they are writing a check against insufficient funds. They should additionally be aware that if they overdraw their account, there is a penalty. It is, however, acknowledged that mistakes happen. This is why inadvertent overdraft coverage is considered a good product for the consumer because it's benefit generally outweighs the cost. It is helpful in preventing additional charges and potential bad credit ratings. To require a financial institution to send a disclosure out month after month to an account holder who continually abuses their checking account does not seem appropriate or effective. It would seem that most conscientious consumers would be able to come to their own conclusion of whether overdrawing their account is a good or bad idea without the need for continual opt-out notices. It would seem more appropriate to mandate proper disclosures at account opening or before a fee is incurred, and dismiss the on-going responsibilities. Respectfully submitted by: Suzy S. Hall VP, Compliance The Park Avenue Bank Valdosta, GA