

**Subject:** Regulation AA

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**Proposal:** Regulation AA - Unfair or Deceptive Acts or Practices

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**Comments:**

At New Tripoli Bank we believe consumers should have the right to Opt Out of our Overdraft Privilege Service (ODP) and our Overdraft Privilege Disclosure provides language regarding the consumer's option to opt out. We do have concerns regarding the proposed changes to Regulations AA and DD regarding the timing and content of opt out notices. Instead of requiring a lengthy opt out notice at the time of each overdraft or with the customer's periodic statement, a concise statement on the periodic statement would be suggested. A more lengthy notice could be mailed annually to the consumer. With regards to the partial opt out, we believe this provision would be both too difficult to implement and too confusing for our customers. Our service provider would be required to make substantial programming changes to our system in order to handle the paying of some types of transactions with ODP and not paying others. With regards to the transaction clearing practices, requiring financial institutions to pay smaller dollar items before paying larger dollar items if received on the same day, is not practical. Some transactions are posted real time when received and others are posted at certain times during the day (i.e., ACH transactions are posted at 5:00 am, Online Banking

transactions are posted at 4:00 am). Additionally, posting smaller items first may leave the most important items unpaid (i.e., mortgage payments, car payments, etc.). We have been offering the Overdraft Privilege Service for 2 ½ years. We have only a very small portion of our customers who have opted out of the service. Additionally, we will refund the customer for overdraft fees on the first occurrence and if the customer is confused about the ODP service. As a community bank, we do not believe the proposed changes to Regulation AA and DD will be beneficial to consumers and the costs associated with implementing the changes would outweigh the benefits. Thank you for the opportunity to comment on these important issues.