



July 22, 2008

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

Re: FRB Docket No. R-1314; OTS Docket No. OTS-2008-0004; Unfair or Deceptive Acts or Practices; 73 *Federal Register* 28904; May 19, 2008

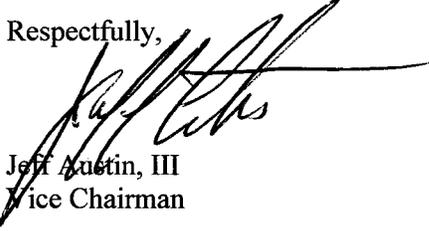
Dear Ms. Johnson:

Please accept this letter **opposing the agency proposed rule** on overdraft fees, partial opt-out of ATM and debit card transactions, and covering debit holds. Following is a brief explanation behind the opposition:

- Overdraft fees can be avoided by consumers without requiring a specific advance notice and opt-out followed by repeated periodic opt-out reminders. Consumers regularly manage their accounts to avoid overdrawing them. Our bank offers overdraft options today without the burdensome compliance exercise of a formal one-size-fits-all opt-out requirement.
- The proposal for a partial opt-out of ATM and debit card transactions, while retaining coverage for checks and ACH, is not technically feasible under our processing system and/or could not be implemented without numerous exceptions due to processing system complexity. Additionally, it would adversely affect customers who use debit cards for recurring payments.
- The proposal covering debit holds is far too complicated to be implemented or for consumers to understand. Besides the problem is really one that involves merchants and the card networks and cannot be solved by putting the onus only on banks who are simply acting in a safe and sound manner to assure funds are available for authorized transactions.

I respectfully ask you to consider the above summarized explanation. If you would like further information or specific details, I will be glad to provide that information.

Respectfully,



Jeff Austin, III
Vice Chairman

cc: Senator John Cornyn
Congressman Louie Gohmert
Congressman Pete Sessions
Federal Deposit Insurance Corporation
Texas Bankers Association

Senator Kay Bailey Hutchison
Congressman Jeb Hensarling
John Reich, Office of Thrift Supervision
Texas Banking Commissioner, Randall James
American Bankers Association

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