

From: Pioneer Trust Bank, N.A., Deryl Yunck
Subject: Reg E - Electronic Fund Transfer

Comments:

Dear Sirs,

Comment 17(b)-9 pertaining to Daily or Sustained Overdraft, Negative Balance, or Similar Fees or Charges is still unclear. While the examples given in proposed comment 17(b)-9.ii are helpful there is no example given for a situation where a check or ACH item is posted on day one resulting in an overdraft followed on a subsequent day by a one-time debit card transaction. Guidance on this situation would be helpful, specifically in respect to the allocation of deposits to the negative balance. Would it be allowed, if so disclosed, for the institution to allocate any deposits first to the one-time debit card transaction even though the check or ACH item was the first item to be posted?

Finally the statement made at the end of the proposed comment 17(b)-9 should also be clarified. "Institutions that do not make the necessary systems changes could not assess daily or sustained, negative balance or similar overdraft fees or charges, even on checks and other transactions not subject to the opt-in requirement, after the final rule's mandatory compliance date of July 1, 2010." This could be construed as prohibiting all such fees regardless of the presence of any one-time debit card transactions. Clarification as to the whether the prohibition of these fees is limited to occurrences where one-time debit card transactions have contributed to the negative balance or if it is truly intended to apply to any and all such situations seems appropriate.

Thank you,

Deryl Yunck
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