

From: Muenster State Bank, John D. Bartush

Subject: Reg D, Q, & DD

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Comments:

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

Ms. Johnson:

Personally, I cannot see how paying interest on commercial/business checking will benefit community banks. One of the greatest franchise builders for community banks is their demand deposit base, especially their commercial depositors. Additionally, paying interest on demand deposits will increase the level of expenses and further erode bank margins and profitability. Finally, interest on checking will add interest rate risk to the balance sheet as more interest sensitive instruments are introduced.

Please pass my comments on to the powers that be. Thanks!

Sincerely,

John D. Bartush  
Muenster State Bank