



*Rooted in Trust, Growing in Your Commu-*

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January 12, 2011

Ms. Jennifer Johnson  
Secretary of the Board of Governors

RE: Docket No R-1404- Debit Card Interchange Proposed Rule

Dear Jennifer:

I'll bet a quarter that you're getting a lot more mail from the credit union industry. We're sorry.

This new proposed rule concerning the reducing in debit card interchange income may hurt a lot of credit unions and their members. Our total assets are \$85,075,081.00 as of December 31, 2010. We serve 13,563 credit union members.

I know that the proposed rule exempts any financial institution under \$10 billion from the proposed interchange fee rule. However, what will prevent the card processors from passing down their losses on interchange fees to our credit union? Will they charge more fees or reduce our interchange fees?

Our 2010 debit card interchange fee totals \$358,998.94. If our interchange fees are reduced by 73% we would lose \$262,069.23 in interchange income. This means our Net Income will be reduced by 30 basis points.

The proposed rule needs to include a provision that enforces the exemption from the proposed interchange fee cap.

Please support the smaller financial institutions. We need your help.

Have a Happy New Year.

Ronald J. Budzinski  
President/CEO  
First Trust Credit Union

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