

From: Alcoa Tenn Federal Credit Union, Robin M Pratt
Subject: Reg I I - Debit card Interchange

Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing
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Jennifer J. Johnson Secretary, Board of Governors of the Federal Reserve System
20th St. and Constitution Ave. NW Washington, DC 20551 Dear Ms. Johnson: On behalf of Alcoa Tenn Federal Credit Union, I would like to express extreme concern regarding the proposed changes to current payment card interchange routing and fees. These changes would negatively impact our credit union and its members. We have always tried to keep our fees and interest rates as low as possible and yet be able to provide our members with fraud protection and new technological services. If this proposal passes, we will not be able to continue to offer new services, no fees, and continue to offer low interest rate and fees that our members are accustomed to. As you know, card service programs are very costly and we depend on the interchange that we receive from member transactions to offset some of these expenses. With our interchange we are able to offer cards to our members with minimal fees, fraud protection, and personnel to provide member service. However, with fraud on the rise, postage increases, staffing costs, and embossing expenses, a decrease in the interchange would negatively affect our members in both increased fees and member service since the interchange helps to support the card program and new card products. Please take these items into consideration when making the decision regarding debit interchange rates. Thank you for your time.
Sincerely, Robin Pratt