

From: Central Bank, Matt Packard  
Subject: Reg I I - Debit card Interchange

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Comments:

February 14, 2011

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

Dear Jennifer Johnson:

Thank you for the opportunity to comment on the Federal Reserve System's proposed "Debit Card Interchange Fees and Routing" rule.

I am greatly alarmed with the revenue reach that this provision provides. It will have significant effect upon all financial institutions.

Many have said that this is only against the big institutions over 10 Billion. My question is why is the government in the business of fixing the price for any size of institution.

There is no question that market forces will encourage low cost providers to come to the front and garner most of the debit card business. The safe harbor for smaller institutions cannot work in the long run.

We encourage you to strike this provision from the bill and allow the free market to handle the interchange fees.

Sincerely,

Matt Packard