



Member owned. Not-for-profit.

P.O. Box 660077
Dallas, TX 75266-0077
800.375.3674
214.319.3100
281.720.0550
Fax 214.292.0700

February 17, 2011

The Honorable Ben S. Bernanke, Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Docket # R-1404 and RIN No. 7100 AD63

Dear Chairman Bernanke:

I am writing on behalf of Resource One Credit Union, which represents over 38,000 members with an asset size of \$310 million. I'm opposed to the proposed rule regarding the fees as stipulated under Section 1075 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. I request that the implementation of any version of the rule be postponed. This should be fully and carefully researched and studied. The timeframe allowed is insufficient based on the scope and the enormity of the impact of affected parties.

Even though my credit union is below the \$10 billion exemption, there is no enforcement power. Making the exemption for small institutions nonexistent. Even if a two tier system can be established. The credit union already has the burden of fraud while the merchant accepts the profit from the sell of the goods. The merchant has time and again shown that they can't or won't secure their data bases. Hackers are on the increase to gain access to their stored data and the financial institution has to incur the cost to reissue and monitor exposed cards of our members. When was the last time a merchant asked for your ID when you presented a piece of plastic?

The 12 cent fee structure developed for issuers is too low and does not attempt to cover the true cost associated with maintaining these electronic systems. The merchant has benefited greatly from these systems without having to borne the cost that the financial institutions have.

In the end this rule will hurt the consumer. Prices will not drop at the merchant and additional fees will most likely be established. I don't think that was the intent of this legislation.

Respectfully yours,

A handwritten signature in black ink that reads 'Carolyn Sipes'. The signature is written in a cursive, flowing style.

Carolyn Sipes
Director of Finance.