

From: American Bank, Paul D Jacobson
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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Comments:

The proposed rules to regulate bank debit card interchange fees would impact my bank significantly, through lost profits and ability to serve merchants and customers (fraud). There are plenty of choices for banking services in our market area and little need for the Fed to establish fee schedules. Loss of revenue or the ability to control our cost structure will only result in higher costs for our customers elsewhere. The debit card system is an efficient payment system that has grown substantially over the years. This rule change will only serve to move this exchange backwards. Our bank will lose approximately \$52,000 per year, using the estimate of 12 cents lost revenue/transaction from this change. Thanks for your review of this important matter for our bank and the banking industry.