

From: Farmers Trust and Savings Bank, David Woodcock
Subject: Reg II - Debit card Interchange

Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing

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Comments:

Thanks for allowing us to comment on this proposal. We are a \$285 million community bank in rural Iowa. First - I doubt a 2-tiered system will ever be developed, so in the end, all banks will be receiving the same interchange fees. Secondly - small banks need all the sources of income possible, especially now to help cover all the additional regulations and compliance costs. Third - Debit Cards have become the preferred payment choice and interchange fees should continue to be free market driven. It takes profits to maintain and improve the system, and continued improvements are necessary for continued system growth. Also, banks continue to cover all fraud costs, which seem to be increasing, so limiting debit card interchange fees is a bad idea. I oppose this proposal in the current form. Thanks Dave