

From: Ohio Valley Bank, Tom Shepherd
Subject: Reg II - Debit card Interchange

Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing

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To Whom It May Concern: I am taking this opportunity to comment on the proposed rule that would establish debit card interchange fee standards, associated with the Dodd-Frank Wall Street Reform and Consumer Protection Act. Although my institution is well below the ten billion dollar asset mark, I expect to see a significant negative impact find its way to our bottom line. Even though we are not a large bank, we are part of the industry and we most certainly will be affected by the proposed changes. Community banks, like Ohio Valley Bank, often find themselves at the mercy of the huge bank card networks. The networks will be receiving pressure from the large banks, making the development of a two-tiered system unlikely. Even if a two-tiered system is developed, it will not likely be in place by the July 21st deadline. We offer free checking and pay cash rewards to our customers, based on their debit card usage. These changes will end up negatively affecting consumers when rewards programs and free checking are taken away. Isn't the consumer who the act was designed to protect? Does anyone really believe that businesses are going to lower their prices when all is said and done? I do not believe this proposal was designed to harm the community bank or the consumer; however, I fear that with unintended consequences, that is exactly what the end result will be. Please take my comments into consideration.

Respectfully,

Tom R. Shepherd
Ohio Valley Bank