

From: Two Rivers Financial Group, Jim H Olson
Subject: Reg I I - Debit card Interchange

Comments:

Date: Feb 22, 2011

Proposal: Regulation II - Debit Card Interchange Fees and Routing

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Comments:

Jennifer J. Johnson, Secretary Board of Governors of the Federal Reserve System
20th St. and Constitution Avenue, N.W. Washington, DC 20551 Attention: Docket
No. R-1404 and RIN No. 7100 AD63 February 22, 2011 Jim H. Olson, President Two
Rivers Financial Group Dear Ms. Johnson: Please allow this letter to express
our opposition to the pending regulatory changes resulting from the Durbin
Amendment. The proposed capping of interchange fees which targets financial
institutions of \$10 billion and greater will undoubtedly impact community
banking institutions as well, including Two Rivers Financial Group. Two Rivers
Financial Group, (TRFG), is a financial services company providing banking,
insurance, and investment management services/products from locations in 14
Iowa communities. We believe the financial impact to TRFG resulting from the
reduced interchange fees will range from \$300,000 to \$400,000 on an annualized
basis. Many banks, including Two Rivers Bank & Trust, our wholly
owned subsidiary, relied on the interchange fees to provide free checking
accounts to our clientele as well as other deposit account enhancements. As
with numerous other regulatory measures designed to benefit the American
public, the consumer will undoubtedly be asked to bear the ultimate cost as
financial institutions increase fees to offset the impact of the additional
regulation. Government intervention involving the capping of free enterprise
systems which have evolved to ultimately benefit the consumer is unwarranted
and unwelcome. We would respectfully request the Federal Reserve Board of
Governors reconsider the proposed limit on interchange fees, thank you.
Sincerely, Jim H. Olson, President Two Rivers Financial Group