

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW.
Washington, DC 20551

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

February 16, 2011

Board of Governors of the Federal Reserve System,

Thank you for the opportunity to comment on the proposed Interchange Fee changes. As a consumer, I am concerned of the idea that I will begin paying a fee for a service that is currently provided to me at no charge. At the moment I do not worry about having cash on hand to pay for small items. If my bank were to begin charging for the use of my card, I would remove it in order to avoid another expense. Carrying cash is not only time consuming but with time it becomes dangerous and inconvenient. Consequently I would be spending more time at a bank to withdraw; which would lead to me having to wait in line up to ten minutes at times.

To this day if I were to lose my card and someone attempts to use it, before I can cancel I am given the choice to dispute the charges and the card issuer will hold the perpetrator responsible. On the other hand if I were to carry cash and lose my wallet I would not have a choice of recovering the funds lost. Another option that is available to me is that I am able to contact my electricity providers and have them make a withdrawal to complete my bill using my debit card for a small fee. Although they could withdraw as an automatic payment, I have an issue with not being able to control the exact time and date the withdrawal is made. If I would have to pay both my bank and my provider it would cost me too much money. An alternate route; money order would cost me as well including postage. If I stand in line and pay at a local pay station, it will cause me to spend a lot of time and also pay the pay station to process my payment.

It is dangerous to carry cash and I would hate to become a victim of a crime so my retailers can save money. In addition the risk in check fraud and return items would cause my bank to probably develop another fee to cover that cost.

In regards to the cards convenience it is indisputably, a service I cannot be without. The fees involved do not seem like something I should pay for so a retailer can save money that I will never be able to take advantage of. I feel they benefit more from me paying with card so they do not take the risk of dealing with a counterfeit bill or a return check from a customer. The profit accumulated by banks from these interchange fees makes money that can be used to have better products. Currently if my card is used for a transaction that is out my current or common buying area, I can get a phone call from

Visa to make me aware in case this is not authorized. The system and personnel involved cost money and this can only be paid for by the interchange fees.

Hopefully my comments are taken into consideration and help you make the proper decision to who would benefit from this change.

Jose Pequeno

A handwritten signature in black ink, appearing to be 'JP' with a stylized flourish.