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Subject: Regulation CC

Comments:

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Proposal: Regulation CC - Availability of Funds and Collection of Checks
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Comments:

I also STRONGLY DISAGREE with the proposed changes to the regulation. I disagree not only for the multitude of reasons mentioned in the previous comments, but additionally because these proposed changes will cause a ripple effect. It is these unintended consequences that will affect other areas within financial institutions, and will do so regardless of their size. As an example, let us assume an institution no longer receives a pre-notification on a large dollar check return in a timely manner. This action in itself can affect the bank not just on that one specific item, but it can also effectively thwart or disable their early warning systems. These are the very systems that are already in place to track fraud or detect kiting schemes as they are developing. Not receiving actionable data could render institutions vulnerable to significantly larger losses. In these economic times, institutions simply cannot afford these added vulnerabilities. Furthermore, since acting expeditiously is key to law enforcement or other investigative efforts, there would be a seriously negative impact in both these areas as well. I also concur with the other comments regarding the burdensome way in which these changes have been presented. It is my firm belief that no change is needed, nor required, and financial institutions will only continue to benefit by the continuation of the regulation in its current form. If it isn't broken, don't try to fix it. However, if anything were to be changed, requiring pre-notifications on items as low as \$1000-\$1500 would actually enhance the effectiveness of the regulation in today's tougher economic environment. In conclusion, the financial industry as a whole would be far better served with the very effective and very efficient current system remaining in place.