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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:

It was asked if the two day case-by-case hold was still needed and I say absolutely. We are a bank that gives next day availability unless we feel a hold is needed to protect the assets of the bank on checks of any amount. On checks over \$2,500 we place the hold knowing that we will be notified on the 2nd day at which time we convert our REG CC hold to a permanent hold until we have received the return and debited our customers account. Holds being reduced from 7 to 4-days is very idealistic. One bank at a webinar I attended monitors their return item dates and receives only 30% of their returns on the 2nd day, 40% on the 3rd day, and 25% on the 4th day. That means banks will not be protected on 5% of returned checks they receive back after the 4 day hold has expired. I believe that is too great a risk. If it going to shortened it should be for 5 days, preferably 6 days. New customer holds should be shortened accordingly as well.