



A BETTER BRAND OF BANKING
SINCE 1901

FIRST NATIONAL BANK

- FOWLER • LA JUNTA • LAS ANIMAS •
- MONUMENT • ORDWAY • ROCKY FORD •

December 13, 2018

Via Email: regs.comments@federalreserve.gov

Ms. Ann Misback, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Regarding Docket No. OP-1625, Interbank Settlement of Faster Payments

Dear Ms. Misback,

In 1901, the Comptroller of the Currency issued Charter #6030 to the organizers of my bank, First National Bank of Las Animas. This was prior to the formation of the Federal Reserve System. The purpose of the bank was and is to serve the farmers, ranchers, and small businesses of southeastern Colorado. We actually have Bank Notes printed by our bank hanging in our main lobby. We are now a \$360 million community bank with six offices and a seventh coming in 2019.

While banking has changed dramatically in the past 117 years, our commitment to our customers and our communities has not. Our bank has been faced with many challenging environments throughout our long history and we've come out stronger each time. We are now facing a monumental challenge in the payments arena and we need your help and we believe you are uniquely positioned to provide the optimal solution.

The Federal Reserve has served as a payment service provider for wires, ACH, and check image and cash services for many years and has acted as a check on the private sector. Your involvement in the payments arena has led to a more transparent, competitive, equitable playing field. We need a system that allows consumer confidence to stay strong during crisis times and the Federal Reserve is the only institution that can provide that, as it has done throughout history.

The lack of ability to provide faster, low cost payments has pushed customers to others alternatives such as Zelle, Venmo, PayPal, Square, etc. We see the volume of these transaction going up each year. We need the ability to access a faster payment system that is equally available to all banks in a safe and secure manner with immediate funds availability.

We support the Federal Reserve developing a real time gross settlement service for faster payments. We believe this would open settlement services to more parties, reduce interbank settlement risk and potentially simplify clearing functions.

We also think it is advisable to develop a liquidity management tool to complement the real time payments services. Our needs are very different than larger institutions. We need to have access to the Federal Reserve as an operator to manage settlement without surrendering control to large financial institutions. Working with the Federal Reserve directly will empower us to effectively handle the liquidity needs of a real time payment environment.

Thank you for the opportunity to share my thoughts on this topic and thanks for the long partnership. The timely development of a strong solution will ensure a strong future for our mutual goals of a strong banking system and a safe and sound payment system.

Sincerely,

A handwritten signature in blue ink, appearing to read "Quentin D. Leighty".

Quentin D. Leighty
CFO
First National Bank of Las Animas
Las Animas, CO