



Farmers & Merchants State Bank

Scotland, South Dakota

Hometown Banking With Your Neighbors & Friends

Dick D. Behl, President
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December 10, 2018

Ms. Ann Misback, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Ms. Misback,

Reference Docket No. OP-1625

I am writing to support the Federal Reserve System in playing an active role in Faster Payments. By providing an interbank method to exchange faster payment transactions, and by providing a Real Time Gross Settlement of those transactions, the Federal Reserve provides a level playing field for all size financial institutions to participate in faster payments. Without the Fed's involvement, the entry cost into faster payments is too high, limiting competition. The Federal Reserve's involvement creates the opportunity for innovative solutions from a variety of vendors and offers the potential for widespread adoption.

The Federal Reserve should continue to listen to industry groups and create services that are neutral to all banks regardless of size. As a small community bank, we rely on our correspondent relationship with United Bankers' Bank of Bloomington, MN to process our items which ultimately go through the Fed. The Federal Reserve should continue to allow Correspondent Banks, like United Bankers' Bank, to act as agents for community banks in faster payments, enabling them to improve payment flow and facilitate settlement, especially during non-business hours.

Thank You!

Sincerely,

Dick D. Behl

President

The Farmers and Merchants State Bank

Scotland Holding Company

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