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November 6, 2019

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

Regarding: Notice and Request for Comments – Federal Reserve Actions to Support  
Interbank Settlement of Faster Payments; Docket No. 1670

Dear Ms. Misback:

We would like to thank the Federal Reserve Board for its decision to develop a real-time gross settlement service -Fed Now. The Fed's decision ensures open access and fair treatment to all community banks regardless of size, charter type and location. The Fed has and must continue to play a critical role in the nation's payments system as it does today alongside, and in support of, similar services offered by the private sector. The Fed's decision prevents The Clearing House (TCH) which is owned by 25 of the largest banks from gaining a disturbing monopoly over real-time payments. The Fed's decision will help reduce concentrations in financial services, increase competition, lower costs, foster innovation, employ necessary checks and balances, and create a critically important redundancy in the payments system in times of economic stress.

This was a historic decision by the Fed which will benefit community banks, consumers, small businesses, the financial system, our economy and taxpayers for decades to come.

We urge the Fed to reduce the implementation time, currently slated for 2023/2024. This longer timeframe will result in community banks not being able to offer real time payments to their customers and further the clearing houses' competitive advantage. We also urge the Fed to make interoperability a high priority during development. Additionally we urge the Fed to play an integral role in the Payments Directory, and to develop fraud mitigation standards that will allow community banks the capability to defeat fraudulent activity and prevent fraud losses. Finally, we urge the Fed to look at the Faster Payments Council for guidance in creating rules and standards for real time payments, and continue to exercise the necessary influence to protect the payment systems. This includes the use of regulatory authority to ensure that core processors and other service providers do not disadvantage community banks in their access to real time payments.

Sincerely,

Lynn Bandy  
Sr. VP Chief Operations Officer  
Bank of Springfield