

Proposal: 1818(AG67) Debit Card Interchange Fees and Routing

Description:

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From: Citizens and Farmers Bank, Matthew H. Steilberg

Proposal: 1818(AG67) Debit Card Interchange Fees and Routing

Subject: 1818(AG67) Debit Card Interchange Fees and Routing

Comments:

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Proposal: Regulation II: Debit Card Interchange Fees and Routing [R-1818]

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Your comment: January 13, 2024 Board of Governors Federal Reserve System Our bank developed and gained BankOn certification for our SmartStart Account several years ago in response to customer need in the markets we served. It is priced at \$5 per month and the structure prevents any possibility of overdraft fees. It is available to customers who have had problems with their checking account in the past, whether at C&F Bank or another bank. It's likely these customers would have been declined the opportunity to open an account with us and many other banks. In other words, they would have remained unbanked were it not for our program. Trust me, the \$5 monthly maintenance fee we charge for SmartStart does not cover our bank's costs, including the online and fraud protection services we provide as well as the salary and facilities expense required to serve them. Debit Card interchange income is the only other way we are able to offset these expenses. We are not trying to make a profit with SmartStart and we believe offering this account is the right thing to do for the communities we serve. Changes to debit card interchange regulations will likely mean we are losing money with each of these accounts and that may impact our decision to offer them. I strongly ask that you take this into consideration as you make your final decisions. Best Regards, Matthew H. Steilberg Director of Retail Banking C&F Bank PO Box 391 West Point, Virginia 23181