

From: "Jerry Wortman (jwortman@shercobank.com)" <jwortman@shercobank.com> on 06/15/2004 11:26:42 AM

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I disagree that our bank customers need additional disclosures under Reg DD for overdraft charges.

We review overdrawn accounts (manually) daily and approve any overdrafts or returns on an individual basis. We also send out a Notice of Overdrawn Account whenever an account becomes overdrawn and each day that additional checks are paid or returned on the overdrawn account. This notice is sent at considerable expense to the bank so the customer can be better informed. The notice includes the amount of the charges as well as the individual items.

We also include the overdraft charges with each paid item on the monthly statement. While it is not there in aggregate, anyone who reconciles their statement will surely pay more attention to the charges as they check off the individual checks rather than at a separate place.

I agree the aggregation information would have shock value, but as the information is already presented, it seems redundant and am not sure banks need to pay the excessive programming fees required to change the statement.

As far as changing the way overdraft fees are presented in the New Account Disclosure, I find it hard to believe that anyone would not understand that overdraft charges would apply to all items that overdraw the account regardless of whether they are check, ach, or whatever. This portion of the proposal just seems to add more detail that won't be read. I find it hard to believe that the Federal Reserve actually believes that the customer reads all required disclosures. They are already so complicated that it is a rare consumer who reads anything but the very easy parts.

I do not believe changing the new account disclosures is worth the money it will cost us to redo the software and reprint all of our booklets.

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