

From: OMNI Community Credit Union , Debi Southworth
Subject: Reg I I - Debit card Interchange

Comments:

First Name: Debi
Last Name: Southworth
E-Mail:

Profession:
Organization: OMNI Community Credit Union
StreetAddress1:
StreetAddress2:
City:
State:
Country:
Postal Code:

E-mail Content:

To Whom it May Concern: We are writing in response to the Interchange Amendment that was added to the Wall Street Reform Act. As a Credit Union under \$10billion in assets, we would like to stress the importance that our Credit Union, and other like ours be exempt from the new rule. The requirements that are being exposed on larger institutions would be difficult for a smaller institution to implement. If we are not exempt from this rule, this would have a significant impact on our income. It could lower our income by over \$850,000 per year. If we were to lose this income it would have detrimental effects on other areas of business to our members. We would most likely have to raise our lending rates, which are generally lower than other financial institutions. In addition, we would have to lower our deposit rates. Even though we feel that it is important that credit unions be exempt, we believe the only way for a solution to work would be a cap. We do not feel that the range of \$0.07 to \$0.12 would work for financial institutions. In regards to routing, we feel that there is only one practical solution which would be one signature debit network and on unaffiliated PIN network per card issuer. Also, fraud remains a significant issue for many financial institutions. The cost to prevent fraud and actual fraud that we are not able to collect on cost financial institutions a considerable amount of money on an annual basis. We feel that the cost of fraud needs to be taken into consideration prior to the final ruling.