



August 4, 2008

Jennifer J. Johnson  
Secretary  
Board of Governors of the Federal  
Reserve System  
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Washington, DC 20551  
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Regulation Comments  
Chief Counsel's Office  
Office of Thrift Supervision  
1700 G Street, NW  
Washington, DC 20552  
ATTN: OTS-2008-0004

Re: BOARD Docket No. R-1314; OTS Docket No. OTS-2008-0004;  
Unfair or Deceptive Acts or Practices; 73 *Federal Register* 28904;  
May 19, 2008 (UDAP Proposal)

Dear Ladies and Gentlemen:

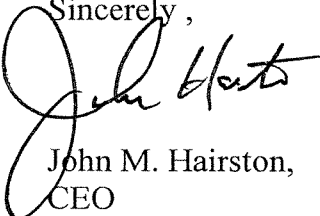
As a financial services holding company, with state chartered banks in four states, Hancock Holding Company is concerned by the proposed rule covering unfair or deceptive acts or practices (UDAP) involving overdraft service protection fees. It is our understanding that the American Bankers Association (ABA) has already expressed the concern of its members in a lengthy letter, which provides a detailed explanation of these concerns. Rather than trying to summarize or recap the excellent points made by the ABA, I will only comment on three aspects of the proposal.

The three main points I would ask you to consider are:

1. Overdraft fees can be avoided by consumers without requiring a specific advance notice and opt-out followed by repeated periodic opt-out reminders. Consumers regularly manage their accounts to avoid overdrawing them. Our banks, along with almost every other bank today, already offers overdraft options without the burdensome compliance exercise of a formal one-size-fits-all opt-out requirement.
2. The proposal for a partial opt-out of ATM and debit card transactions, while retaining coverage for checks and ACH, is not readily feasible under current processing systems and could not be implemented without numerous exceptions due to processing system complexity. Additionally, we feel compelled to point out that it would adversely affect customers who currently use debit cards for recurring payments.
3. The proposal covering debit holds is far too complicated to be implemented or for consumers to understand. It should be pointed out that the problem is really one that involves merchants and the card networks and cannot be resolved by merely putting the onus on banks who are simply acting in a safe and sound manner to assure funds are available for authorized transactions.

We urge you to carefully read the detailed comments provided by the ABA. We believe if you will consider these comments, you will see that overdraft accommodation is a sound banking program that is successful because customers want it and recognize that it provides real value to them. We think the careful reading of these comments will also highlight the complexity of the payment clearing process and the order of recognizing payments, and will demonstrate that it would be impossible to manage a process to let individual customers choose alternative payment processing orders. We believe that once you review these comments you will conclude that the banking industry's mainstream overdraft practices are not unfair to customers. We would hope that any new regulatory mandates for consumer protection for debit card transactions be evaluated within the established regulatory framework for electronic transactions, funds availability, and account disclosures.

Hancock Holding Company appreciates the opportunity to provide our comments on this significant proposal. We are advised that should you need additional information or have further questions, that the ABA has designated Nessa Feddis as a contact. Her number is 202-663-5433.

Sincerely ,  


John M. Hairston,  
CEO

Hancock Holding Company

cc: FDIC,  
Senator Thad Cochran  
Senator Rodger Wicker  
Congressman Gene Taylor