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27th & Cornhusker Hwy
Midtown @ 50th & O

July 28, 2008

The Honorable Chuck Hagel
248 Russell Senate Office Building
Washington, DC 20510

The Honorable E. Benjamin Nelson
720 Hart Senate Office Building
Washington, DC 20510

The Honorable Jeff Fortenberry
1517 Longworth HOB
Washington, DC 20510

The Honorable Lee Terry
1524 Longworth House Building
Washington, DC 20515

Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552

Federal Reserve System
20th Street and Constitution Avenue NW,
Washington, DC 20515

RE: Proposed Rule on Overdraft Fees

To Whom It May Concern:

The purpose of this letter is to provide comments on proposed rule that would substantially damage a bank's ability to offer overdraft protection to its customers.

West Gate Bank currently offers eligible customers an overdraft privileges program to avoid having presented items returned. Customers are given the opportunity to opt out of this program at any time. Customers are also given monthly and year to date fee information on each monthly bank statement.

Overdraft fees can easily 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 overdrafts. Our bank currently offers overdraft options without the burdensome compliance exercise of a formal one size fits all opt-out requirement.

The proposal for a partial opt-out of ATM and debit card transactions, while retaining coverage for checks and ACH, is not feasible with the West Gate Bank processing system. The numerous exceptions the proposed rule would cause would create processing system failure. Additionally, it would adversely affect customers who use debit cards for recurring payments.

The proposal on debit holds is too complicated to be implemented and will lead to customer confusion. This problem involves merchants and the card networks (not banks) and cannot be solved by putting the onus on banks who are simply acting in a safe and sound manner to ensure funds are available for authorized transactions.

West Gate Bank implemented an overdraft program in late 2007, and it has been a tremendous success. Customers love it and appreciate the opportunity to have their transactions paid rather than returned (while receiving the same charge). Customers have come to expect such overdraft programs from their banks and have learned to contour their behaviors accordingly.



West Gate Bank. Lincoln's Bank.



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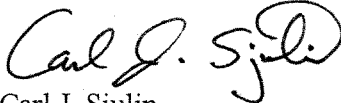
West Gate Bank has observed the 2005 interagency guidance and best practices for implementing its overdraft privilege program and in doing so should not be viewed as having an unfair program.

West Gate Bank objects to any regulatory requirement on processing order because the order of recognition varies across the industry, and such a regulation would be tantamount to micro-managing. Today, different types of items are presented for processing at different times so that no single rule (such as low to high) is practical. Letting an individual customer choose an alternative payment processing order would be impossible to manage.

At a time when banks rely on fee income for profitability, the proposed rule would cripple one of the key fee income producers in the banking industry. This is not a wise move during a period of economic difficulty for the banking industry.

Thank you for your attention to this matter. Should you have any questions or need any additional information, please do not hesitate to contact me.

Very truly yours,



Carl J. Sjulín

President

434-3450 (direct)

csjulín@westgatebank.com

cc: West Gate Bank Board of Directors
George Beattie, Nebraska Bankers Association
Matthew Williams, Gothenburg State Bank

CJS/tsl

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