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VIA EMAIL: regs.comments@federalreserve.gov

Jennifer J. Johnson, Secretary
Board of Governors of the
Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

RE: Docket No. R-1350

Dear Ms. Johnson:

Nexity Bank supports the proposed amendments to Regulation D to authorize the establishment of limited-purpose accounts at Federal Reserve Banks termed "Excess Balance Accounts" (EBAs). The establishment of such accounts would reduce disruptions in established relationships between correspondents and their respondents while providing additional funding to the Reserve Banks to advance the monetary policy objectives of the Board of Governors.

We support the structure whereby a single EBA is maintained by an EBA Agent on behalf of the EBA Participants for the maintenance overnight of the Participants aggregate excess balances. The EBA Agent would be responsible for maintaining adequate records to demonstrate the level of excess balances in the EBA of each EBA Participant.

Nexity Bank thanks the Board of Governors for the opportunity to provide comments on this proposal and supports the amendments to Regulation D with the noted account structure and Agent responsibilities.

David E. Long
President
Nexity Bank