

From: Paul J. Bannon, RI
Subject: Electronic Fund Transfers

Comments:

Date: Mar 31, 2009

Proposal: Regulation E - Electronic Fund Transfers
Document ID: R-1343
Document Version: 1
Release Date: 12/18/2008
Name: paul j Bannon
Affiliation:
Category of Affiliation:
Address:
City:
State: RI
Country: UNITED STATES
Zip: 02806
PostalCode:

Comments:

I am outraged at the methods banks use to steal money from consumers where they are constantly changing the rules that technology permits them to employ in taking advantage of consumers. More and more banks are promoting the use of Debit/Charge cards to be good consumers and environmentally friendly and now, with technology and accounting methodologies go out of their way to trick consumers into overdrafting accounts. Those who live without a cushion of cash reserves cannot maintain overdraft lines that will continually cover overdrafts (banking solution to issue). Those of us who check their accounts daily online and watch balances and purchases still cannot keep up with the trickery that banks use to accumulate stolen money from clients. One method is to hold accounts through the weekend so a minimum of 3 days of purchases are accumulated so if you use a debit/credit card issued from the bank to be environmentally friendly you could have 15 to 25 debits a weekend (Friday night thru daily opening Tuesday). And do they take advantage of time stamped transactions (no) they take the largest purchase (even if it occurred Monday night) and deduct that first down to the lowest amount purchased during that time, credited last. Therefore you could have a \$5.15 purchase Friday night and a \$200.00 purchase the following Monday night (3 days later) and they take the \$200 out first then if you end up overdrawn by \$25 by the end of the say 20 debits over the weekend, you can pay fees of \$39 per overdraft! So for \$5.15 you paid an additional \$39. If you had many other smaller purchases in the 20 transactions (\$6.23, 10.10, 12.85, etc) at the end of the highest to lowest method used, you could get 4 charges of \$39 for a total of \$139 for \$34.33 in actual expenses. This fee is outrageous and the method of hiding purchases conveniently in online account information provided to the consumer (ie; you see a positive balance online in your account, you know your purchases that day, also make a deposit, but some immediate hold takes precedent over deposit that evening and bang they got you). Make banks use actual transaction times for debiting accounts (not highest to lowest transaction amount), and limit their fees to a fee of \$5 above covered transaction with a total maximum fee.