

From: Richard W. Pegg, MD
Subject: Electronic Fund Transfers

Comments:

I whole heartedly support restricting the way banks manipulate overdraft policies for maximum profit at the expense of the consumer. I am a member of one credit union that will approve a limited number of overdrafts and automatically transfer the funds from savings at no charge. A customer service that I greatly appreciate. A different credit union, of which I am also a member, is one of those institutions that seem to order transactions to maximize overdraft charges. This institution does not allow automatic transfers of funds from savings. Although that ability is available for a monthly fee. I was once charged multiple overdraft charges for very small purchases from checking even though my savings account had over \$120,000 in it. Very poor customer relations. How can both institutions be equally profitable but have so very different customer policies? One is a service oriented organization and the other a predator.

Why is a financial institution allowed to use a single overdraft fee to trigger additional fees? It is possible to incur anywhere from \$25 to \$100 in overdraft fees depending on the order of transaction processing. If institutions are able to manipulate the transaction order it is immoral and should be illegal. The less well off customers are disproportionately affected by these policies.

My personnel financial picture is good and I am rarely affected, but both my children are often victims of these policies. They pay all bills and have limited revolving debt but are often affected by these outrageous banking policies.

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