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Subject: Electronic Fund Transfers

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Comments:

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Proposal: Regulation E - Electronic Fund Transfers

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To Whom it May Concern: I would like to express my strong support of the proposals in Regulation E of R-1343. I prefer the "Opt-In" option proposal over the "Opt-Out" option, but either would be a vast improvement over the current, kind of, under the covers, money making situation for banks. I also support the proposal on Debit Holds in Regulation E. I am a grandparent. My grandson is on his own, hundreds of miles from me. He's a student with meager resources. In an attempt to help him out I opened a joint bank account with him in which I deposited what I could each month.

This would also be the vehicle for me to get money to him quickly in case of an emergency. Between irresponsibility on his part & the current state of affairs with banks regarding overdrafts, I was out hundreds of dollars in a few months that went straight into the pockets of the bank. He'd charge burgers at McDonalds on his debit card, say a \$7 bill. That overdraft would cost me \$35. This happened with fast food restaurants, convenience stores & gas stations. In each case the overdraft fee was 2, 3, 4, or 5 times the amount of the debit card transaction. In that "experament" with the bank account, the bank took in almost as much money from me in overdrafts as I gave my grandson.

I discussed this with the bank many times & was told there was nothing I could do. They could not block transactions when there was no money in the account, & I could not "opt out" of overdraft. After trying for a few months to get him to behave responsibly, I reluctantly had to close the account. Certainly my grandson is responsible for his actions, but we are in an economic crisis in this country, largely because financial institutions exercised no prudence or discretion in how they allowed individuals to get into trouble. The banks only allow overdrafts because its profitable to them (overdraft fees). Take away their profit & they'll find a way to restrict improper behavior. I've found a way around this problem that still allows me to help out my grandson.

But, I know of others who have been hurt by this pitfall in banking. We shouldn't be allowed to take what isn't ours, creating what turns out to be in many cases, high interest loans of usuary proportions that were never consciously requested.