

From: Victor P Kimaro, San Lorenzo, CA

Subject: Electronic Fund Transfers

---

Comments:

Date: Mar 18, 2009

Proposal: Regulation E - Electronic Fund Transfers

Document ID: R-1343

Document Version: 1

Release Date: 12/18/2008

Name: Victor P Kimaro

Affiliation:

Category of Affiliation:

Address:

City: San Lorenzo

State: CA

Country: UNITED STATES

Zip: 94580

PostalCode:

Comments:

The Banks should give the consumer the option to access the risk of having his/her account overdrawn or decline the transaction. 1. For items authorized but are not posted on the account to reflect the debit in the account the banks should not charge an overdraft based on the date of the transaction was made rather by the actual date that the payment is processed by the bank. Often times one purchases gas for example on Saturday, on a debit card and the transaction gets authorized but does not get processed by the bank until Tuesday, in this case the consumer should not be charged fees for the transaction on based on the purchase made on Saturday but rather by Tuesday. 2. I banks should not charge \$35.00 fee for an item that caused the account to be overdrawn by a few dollars which normally a consumer deposits funds to cover the withdrawal within a matter of days. Essentially the banks make over 3400% return praying on these small overdrafts. 3. A few years ago access to information about banks transactions instantly online did not reflect the true balance, today with technologies, banks can and should know when a purchase would cause an account be overdrawn and therefore should not allow the purchase to go through. 4. Recent survey by FDIC indicates that the consumers who are mostly hit by these overdraft fees are normally of moderate incomes normally less than \$100,000 per year. This highlights the financial stress already on these consumers and for them to experience multiple overdrafts per day continue to limit their ability to get out of the circle of overdraft and returned items. 5. In several cases banks have rearranged the order of clearance of transactions which automatically results in an account being overdrawn and access a fee. This is morally wrong and should be addressed.