From: Alfred Blair, Thibodaux, LA

Subject: Electronic Fund Transfers

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Comments:

Mar 23, 2009

Federal Reserve Board Email comments

Dear Email comments,

The overdraft changes on a checking account can be at an astronomically high annual percentage rate (APR) using the mathematically-true, compounded, EFFECTIVE (EAPR). I believe that: 1. A bank will not charge for an overdraft of a dollar or less, 2. The overdraft fee will be around $30 3. The overdraft must be paid within 5 days. The EAPR calculation is the rate for a period compounded ("^") for the number of payments periods in a year. In this case the rate for a period is 2970.297%, calculated as ($30/$1.01)*100. The number of payments (including factions) is 73.000, calculated as 365/5. To compound a rate the number 1 is added to the periodic rate and subtracted after the compounding.

So, on this example, the EAPR is [((1+ (2970.297/100))^(73))-1]*100 = (3.6657990065987*10^110)% or:
366,579,900,659,870,000,000,000,000,000.000.000.000.000.000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000,000%.
The overdraft fee, if any, should be reasonable.

Please allow me the chance to opt-in to overdraft services. This is the only way that I will truly feel protected.

Sincerely,

Mr. Alfred Blair
Thibodaux, LA 70301-6193