

From: Kent M. Franzen

Subject: Collection of Checks and Funds Transfers Through Fedwire and Availability of Funds

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Proposal: Regulation J and CC- Collection of
Checks and Other Items By Federal Reserve Banks and Funds Transfers Through
Fedwire and Availability of Funds and Collection of Checks
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Comments:

@@@Dear Sirs,

Thank you so much for considering these changes. My state is rural and our customers in the older demographics have been victimized by unethical vendors and confidence artists through this method of payment for a very long time. I have waged a one man war when time allows against unethical and dishonest misuse of this transaction method. My own personal best is listening to a recorded 17 minute conversation of one of my customers in which a very elderly gentelman said yes 27 times but not one "yes" to the question "Will you buy these vitamins?" or anything like it. When I told the person on the phone I was returning the item unpaid and as unauthorized I was threatened with a lawsuit and with personal violence. The vendor thought so much of his product he would not even pay the UPS bill to have the vitamins returned. The good news his that his word on his threats was not any better than his honesty on the phone with my customer!

The sixty day return window is acceptable but a 90 day window would be better. The important change though is the liability shift to the originating bank instead of the paying bank. This will force more diligence on the originating institutions in who they allow to access the payments system this way.

I know that this method of payment is convenient and I do not want to make the restrictions so onerous that it becomes unusable by reputable business. I have and will use it myself with those I trust. However this change is needed to cull off those who would use this payment method for less than honest transactions.

Thank you again for this rules change and do not let anyone water this down!

Kent M. Franzen

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