

**From:** rschmidt\_2@netzero.net on 07/30/2008 06:00:03 PM

**Subject:** Regulation AA

Board of Governors of Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551

Dear Federal Reserve Board Director,

July 30, 2008

Congressman Ted Poe Senators Kay Bailey Hutchinson and John Cornyn

Included below is an email letter to Ms. Amy Davis, Channel 2 Houston Instigative Reporter in regards to her July 30, 2008 story on how banks are ripping off customers with overdraft fees and with manipulation of bank balances.

I believe this is a serious problem that is adversely affecting the financial security of American families and hope that Congress and the Federal Reserve will look into and address the methods in which banks assess and collect overdraft fees.

I do not understand how the Federal Reserve allows banks to enforce collection of such fees by simple deduction from accounts without the depositor's knowledge, permission, or consent. If I were entrusted with another's money and helped myself with a portion of those funds without due process, I would be charged with theft and sent to jail under the laws of the Great State of Texas. Why are the rules different for banking institutions. We entrust them with our money, and they violate that trust by taking money without due process from the accounts of their customers.

I am hopeful that Congress and the Federal Reserve will take a careful look at the banking industry's practices. You may view Ms. Davis story from Channel 2's website at [www.click2houston.com](http://www.click2houston.com) .

Sincerely,

Richard Schmidt 1330 Lemm Road North Spring, Texas 77373 281 288 7471 rschmidt\_2@netzero.net

Ms. Davis:

Great story last night on how banks are ripping off customers with overdraft fees and manipulating bank balances in order to collect more fees. The exact same thing happened to me several weeks back at Bank of America. My balance never dipped below zero however I was dinged with four overdraft fees. A visit to the local branch and a conference with the branch manager proved a waste of time, but a letter faxed to CEO Kenneth Lewis in Charlotte, NC challenging these fees netted different results.

Seems that the word challenge may be key.

Last year my son compiled several overdraft fees with his account at Wells Fargo Bank.

Because I was a signer on his account and also joint owner of my mother's accounts, Wells Fargo deducted money from her saving account to cover his fees. A visit to one of their local branches and a visit with the branch manager got the fees reversed and the matter resolved.

Amegy Bank failed to post a hefty deposit to my other son's account, then dinged him with more than \$300 in overdraft fees. They then closed his account and sent the matter to a collection agency whom we couldn't get off his back even after the matter was finally resolved.

Banks used to be the honorable guardians of our finances. What has happened to their dignity, honor, and ethics? Replaced by shire greed I suppose. Now we have to be on constant alert to prevent them from becoming the same thieves they used to guard us from. I hope the Federal Reserve will do something to regulate banks and the practices they employ in collecting overdraft fees. If not, we might all be better off by keeping our money in tin cans hidden among weeds in the back yard.

Richard Schmidt 1330 Lemm Road North Spring, Texas 77373 281 288 7471

Sincerely,  
Richard Schmidt