

From: Michael Mauro  
Subject: Electronic Fund Transfers

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Comments:

Mar 30, 2009

Federal Reserve Board Email comments

Dear Email comments,

I want you to know that I believe that Wachovia, my retail banking and bill payment partner for almost 2 decades, employs unfair and deceptive practices relating to overdraft fees. I feel this way because Wachovia, charged me with a number of OD fees because it prematurely processed a bill payment debit against my account which created an overdraft while, at the same time, continued to approve electronic transactions which further caused my account to overdraw. I was charged an OD fee for each electronic transaction that further enlarged my OD balance.

For years, I've been using the Wachovia Bank bill payment services to pay my monthly bills. This month my mortgage payment, which I scheduled through the Wachovia Bill Payment service to deduct from my account on 3/30 was deducted from my account on 3/27. This caused a number of electronic payments that were "in flight" between 3/26 and 3/27 to overdraw my checking account. Wachovia charged me a total of \$245.00 in overdraft fees - one for each electronic payment that was authorized by Wachovia at the time of purchase (and for which there was a legitimate balance to cover) but not hard-posted to my account. When I contacted Wachovia's customer service center to challenge this, a Wachovia Call Center supervisory staff person explained to me that Wachovia had every right to charge these fees because of a "user agreement" one signs when opening an account at Wachovia. I countered this argument with one stating that I had enough money in my account at the time that Wachovia approved the electronic (ATM and POS) transactions but before Wachovia prematurely processed the online bill payment. This argument fell on deaf ears at Wachovia. Instead I was "offered" a "courtesy" reimbursement of 1/4 the overall fees that I incurred. I argued that this was not a courtesy that I was seeking. I argued that Wachovia intentionally allowed me to continue overdrawing my account (causing me to continue racking up OD fees) when Wachovia, itself, approved the payment of a bill payment item that caused the overdraft when I did not have the money in my account to cover that bill payment.

In any case, Wachovia charged me an overdraft fee on transactions for which I had sufficient balances in my account to cover. I think that this is unfair banking practices and I believe that Wachovia must discontinue its practice of charging inordinate and questionable fees to its account holders.

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

Sincerely,

Mr. Michael Mauro