

From: Cindy Reeve  
Subject: Electronic Fund Transfers

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Comments:

My Visa check credit card was stolen while I was on vacation and TCF subtracted the second fraudulent charge, a charge for over \$2,400 worth at Walmart on the day before the first fraudulent charge plus three checks (one for \$36) at \$35 a crack. Even though the Visa is supposed to be zero liability fraud protection, TCF will not credit the \$175 worth of overdraft charges. I faxed a letter to the Regulation E department regarding the stolen card and that I was not responsible for the charges the next morning. We came back from vacation a day early and I went to the branch and submitted more documentation including that they had video of a person using the card. The teller at the branch said my money and the overdraft charges would be credited within 14 days. When the overdraft charges were not credited, I wrote to the fraud department asking for them to be credited and they still have not been credited.

According to the following website regarding Rep. Maloney's Consumer Overdraft Protection Fair Practices Act (H.R. 1456).

[seekingalpha.com/article/131767-overdraft-legislation-hangs-over-tcf-financial?source=bnet](http://seekingalpha.com/article/131767-overdraft-legislation-hangs-over-tcf-financial?source=bnet)

According to the FDIC's Study of Bank Overdraft Programs released last December, NSF/Overdraft fees represented 74% of total deposit service charges, and based on the growth in debit transactions as a source of those fees, it seems reasonable to assume that up to 70% of those fees could be at risk as a result of the pending legislation.

The most vulnerable bank appears to be Minnesota-based TCF Financial (TCF); over the past five years, total deposit fees have equaled 77% of TCF's pre-tax income. As a result, between one-quarter and one-third of TCF's normalized earnings power is threatened by Rep. Maloney's bill. This would also have a significant impact on their growth rate, which is driven by a strategy of de novo expansion and growth in free checking account deposits, the profitability of which relies upon overdraft fees.

Cynthia Reeve

cc: Via Letters to Representative Carolyn B. Maloney, Representative 14th District New York and TCF CEO William Cooper