

From: John B. ORourke, MA  
Subject: Electronic Fund Transfers

---

Comments:

Date: Mar 26, 2009

Proposal: Regulation E - Electronic Fund Transfers  
Document ID: R-1343  
Document Version: 1  
Release Date: 12/18/2008  
Name: John B O'Rourke  
Affiliation:  
Category of Affiliation:  
Address:  
City: Andover  
State: MA  
Country: UNITED STATES  
Zip: 01810  
PostalCode:

Comments:

I absolutely agree that banks should not be allowed to enroll people in overdraft schemes such as they currently affect. I have been burned very badly by this practice. In my case, during a serious illness of my wife's, my child's daycare center held onto a check for four months. Somewhere in there I lost track of the fact that a \$600 check hadn't cleared. (I was working in a residential school where job responsibilities were 24/7, and I simply lost track of things somewhere between trips to the hospital and trying to keep my kids safe and do a very demanding job.) When they finally deposited it, I suddenly was \$200 overdrafted. Unfortunately, since that \$200 was spread out over 10 transactions, I was \$350 in the hole on fees. 7 of those transactions occurred two or more days after the check had cleared, so it wasn't as though the bank didn't have time to put a hold on things. Naturally, when I called the bank, they told me that they had "informed" me of a change to my account a month or two before. The information coming in the form of a slip of paper in the previous statement, dense with unreadable text and legalese, and hidden amongst half a dozen inconsequential changes. I am sure that was a coincidence. (Please take note of the sarcasm.) Consumers should be required to opt in to ALL overdraft protections. Period. And changes to the terms should be required to be highlighted in large, easy to read, unambiguous language. People should manage their own finances better than I did in that circumstance, but banks should not be designing systems that deliberately exploit people who make mistakes. Indeed, that bank's system was PREDICATED on the fact that people will sometimes mess up, and was designed to ensure that the bank profited handsomely from it. They absolutely had a right to charge some fees (or bounce some checks) when my ATM card transactions and the missing check appeared in the account on the same day--it was my fault, and they ought not lose any money on that error. But what they did (claiming it was for my own "convenience" when I called them on it) in the following days is unconscionable, and needs to be regulated out of existence if they won't do it out of basic common sense and decency.