

From: Adam Wexler, WA
Subject: Electronic Fund Transfers

Comments:

Date: Mar 25, 2009

Proposal: Regulation E - Electronic Fund Transfers

Document ID: R-1343

Document Version: 1

Release Date: 12/18/2008

Name: Adam Wexler

Affiliation:

Category of Affiliation:

Address:

City:

State: WA

Country: UNITED STATES

Zip: 98033

PostalCode:

Comments:

I support this new regulation (Regulation E - Electronic Fund Transfers [R-1343]) specifically because it allows individual customers more control over how their money is used so as to minimize abuses by the banking industry. I am a young professional and have over the past year had a few episodes where cash flow was very tight. I overdrafted my account because the bank applied my charges in a way that maximized their fees (e.g. debiting the largest dollar value transactions first and then using smaller charges to increase incidents of overdraft and subsequent fees). I found this practice unethical and when I consulted with my bank they were unwilling to forgive the fees and process the charges as I had actually made them (this would have significantly reduced the number of overdrafts). This practice is highly detrimental to the banking consumer. It significantly limits my personal solvency and furthermore sets off a chain reaction of penurious finances - all at a time when the cost of living is increasing. In 2008 I paid \$510 in overdraft fees. If this proposed rule were in place that number would have been less than \$100. \$500 is nearly a full weeks salary for me - it is rent, and has on more than one occasion created difficult financial decisions (e.g. whether to service debt or purchase living essentials). This overdraft policy has resulted in a \$7 lunch becoming a \$41 expense. Outrageous! It is outrageous that consumers have no voice in how their money is actually managed - especially since all transactions are now electronically processed. I am hopeful that this rule will pass and that further reforms to the banking industry are imposed. The recent collapse of many banking institutions - including the one to whom I payed so much in fees (WAMU) leaves a bad taste in my mouth. I strongly urge the FRB to consider developing new banking guidelines which mandate a greater degree of transparency on behalf of banking institutions. The time has come to foster a positive atmosphere of participation by individual consumers. It is obvious that those with whom we have placed our trust are unworthy of this honor. Certainly we all make mistakes, but our current situation is borne out of greed and loathsome contempt for the customer base. Again, I strongly urge the FRB to pass Regulation E - Electronic Funds Transfer. The banks have betrayed the trust of the citizenry, the Fed, and the World; and do not deserve favor in

this matter. Strong action is required to restore our trust. Thank you for your attention and concern.