

From: Dave Sikora  
Subject: Electronic Fund Transfers

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Comments:

To Whom it May Concern;

I have experienced significant problems with the mechanics of my banking relationship related to debit card overdraft fees. My daughter, who is a sophomore in college, has a debit card that we refill with a \$175 allowance once per week. This is her spending money for living expenses, food, fuel etc. She does not write checks, and only uses the card at ATM's and at the point of sale.

My daughter has incurred hundreds of dollars in "NSF" charges during the last several months. In several instances, she was short by one or 2 dollars and her account was subsequently hit with \$32 fees for transactions amounting to only \$5-10. I have to admit that I was shocked that you could "bounce" an ATM or point of sale transaction using a debit card.

Since debit cards are "real-time" transactions, the bank has up to the minute information both at the ATM and at the point of sale regarding the availability of adequate funds to complete the requested transaction. It is unconscionable that the bank would allow payments to be made in real time when funds are not available to make the payments, just to generate a "overdraft" fee.

This is plainly a ploy by the banks, who are desperate for incremental revenues, to generate easy money. I do admit my daughter has a responsibility to always know how much money is available in her account. However, the real-time nature (versus batching checks that arrive at the bank) of these transactions provide an easy mechanism for the banks to offer the customer the choice of paying the fee or not. It is criminal for them to continue the current practice.

David Sikora