

From: Tom Neale
Subject: Electronic Fund Transfers

Comments:

Comments on overdraft charges from banks:

Bank: JP Morgan Chase

City:

Comment:

I have 2 checking accounts at the Dublin Branch. One business, and one personal. They were both set up without overdraft protection of linking to credit cards. When they were set up, there was no thought of issues for overdrawing.

I started my own business as a sales rep for a trading company in 2006, coinciding with opening the business account. As a start up, cash flow is tight. I travel a lot, and decided it would be wise to sign up for email notifications of my account balance.

Last fall, during a business trip the email notifications stopped for several days. This had occurred several times before, and when they started back up I quickly forgot about it. During the trip, for 2 days transactions had occurred that were paid by the bank, but funds were not available. There were funds in my business account that I could have transferred to my personal account had I known that the account was overdrawn, but I did not receive notification until several days later IN THE MAIL. I happened to go online to check my account from my travels and noticed the problem and quickly fixed it.

In the meantime, the bank sent me 2 notices (as noted prior) of fees - \$128 for 4 items covered one day, and \$50 for 2 items covered the next day. The total amount of funds that had to be covered for both days was \$208.03. So with fees of \$178, to me it was unimaginable that this was fair - especially since I was relying on notifications from them that failed while I was traveling. (note that money comes into my business account sporadically, so I have to keep a close eye to make things work).

I appealed to Chase to at least consider reducing the charges to make it fair. The decision took from the end of October until just last week to be resolved - of course they refused after finally getting an answer from the district manager.

THEN - a couple of weeks ago I had to go on an emergency trip. A transfer into my business account was made already (on the way), and we were waiting for it to arrive in the account. Since I was on my trip and could not do it myself, I asked my wife to make the transfer the day before she was to drive to meet me at the destination in Atlanta. In the instructions I gave her, I told her that the bank would check to see if the funds were in the business account before they made the transfer into the personal account. THEY DID NOT CHECK IT - it of course had not arrived. They transferred the funds anyway and overdrew my business account, and charged me \$50. The funds came into my account the next day, and again I have to fix the problem while traveling. It could have been

avoided if they had advised my wife that the funds were not there to transfer. She could have made the transfer the next morning, on her way out of town. THIS WAS AVOIDABLE.

I also appealed this to the bank, but they refused. I was told they used to reverse charges like this when it was Bank One. But since Chase took over, there policy was firm - get an overdraft protection to a credit card or pay the fees. Chase has become less like the personal bank that most people want.

An additional comment and quick note: I will probably unfortunately be forced to go to a local, hopefully strong, community bank. This mistreatment by the large banks is indicative of what happens in large companies - they are so obsessed with control that there is no room for local common sense customer service. The large banks are just too big.

And they were also not cooperative in helping with a business loan, and recently cut off my line of credit on the equity in my home because of perceived falling home prices, though there was still plenty of equity room.

The money being sent to Chase is not getting to us. And though I am a conservative and am not about to participate in the furor over bonuses and corporate jets that are part of the free market, it does give on pause when one thinks about getting stuck with unfair fees, and it going to fund the corporate luxury jets.

My position on bonuses: I believe in free market principles, but somehow the reward/penalty aspect of it has been lost somewhere when failure still allows high bonuses to be paid. While many of the executives getting bonuses (not necessarily referring to Chase) may not have been involved in the decision making that caused the problems, wherever I have worked in the past bonuses were paid based on the company's overall performance as well as our own. So I believe the free market principles should remain intact in whatever oversight is established, that is the failed decisions should result in failed companies or firings of the guilty. But to remove bonuses as incentives will in the end prove to be foolish and will undermine growth and productivity in the long run, resulting in lesser results than what we will need to rebound the economy as a whole.

I understand many of the bonuses in question are RETENTION bonuses, which are structured as bonuses for tax reasons. Therein lies the problem. These issues with "Bonuses" would go away if the tax law were changed to allow deductions on additions to salaries for retention purposes. I am no expert on this, but it seems the public's outcry may be misplaced and they do not understand that the health of the company was tied with keeping these top executives for a period of time to maintain the integrity of the company's management structure. Calling it a "bonus" is a misnomer, and I believe was and still is being used as a political football. These executives would have been long gone to other jobs without these "bonuses".

Tom Neale