

From: James Hosner, Hilliard, OH  
Subject: Electronic Fund Transfers

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Comments:

Board of Governors of Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551

Dear Federal Reserve Board Director:

Early December of 2008 I did a bit of shopping. I deposited my paycheck and after a transaction my account balance was posted as \$237.18 on the 2nd. I made four purchases : \$77.92, \$22.07, and \$15.75, these were all "posted" to my account in this order on the 4th. I made several more purchases \$87.14, \$60.00, \$39.49, \$10.11 and received a credit of \$39.49 to my account from a return, these were "posted" to my account on the 5th. Now these were all made within a few days of each other and I realized as I made the last few purchases that I miscalculated my last deposit (I had taken cash out of the check before depositing it, \$80 worth, so my assumed balance was off) and that I was overdrawn a little. I received a notice in the mail a couple of days later that indicated I was overdrawn, by far more than I initially calculated and was rather confusing to read. Initially I thought it was simply cryptically worded, but later realized it was confusing because the amounts I owed did not add up to what I had calculated myself. I assumed I was overdrawn about \$40-50 plus the additional overdraft fees.

When I tried to settle up my overdraft I was told I owed \$340.31. This seemed a bit excessive and I asked for a print out of my account so I could see what was posted to my account and when, fearing check fraud or perhaps that someone had stolen my identity. I was provided with a print out of that month's transactions and saw that I recognized them all. I paid every bit of cash I had, from my paycheck and previous pocket money, which was just above \$300, but not the full \$340.31 I owed.

I left and went to work early to review the transactions and saw that my first assumption had been correct. The amount I overspent was really only \$35.81. Looking through the statement I was given at the bank again I saw that I was charged seven overdraft fees of \$37.50, and then the "Extended Overdraft Fee" of \$7 per day for 6 days. Looking at the statement showed only the posting dates on my account and it showed that I was being charged overdraft fees on 5 transactions that did not overdraw my account, even when you go from the most expensive purchase of the day to the least, as Huntington did.

The next day possible I went into the bank hoping to reclaim the \$187.50 of overdraft fees. When I sat down with the banker I was told that those overdraft fees were applied correctly ( I had trouble understanding the banker as she explained it and had to have her repeat it several times, and whenever I tell others of this they are confused and I have to go over it a few times

so I hope I can make it clear in this letter). Because the transactions were made in a period of time so close to one another by the time the first three transactions were "posted" on the 4th, my "pending" balance was in the negative while my actual "posted" balance was still positive. So while I actually had enough money to cover every transaction except for the last two, because my "pending" balance was in the negative, I was given an overdraft charge on every transaction listed rather than just the ones that would have actually pushed my balance into the negative.

Previously I asked the bank to stop transactions that would go if my account had insufficient funds, this request was refused. When I asked why the banker told me they "need to make money somehow". I have closed my account with Huntington and paid off every fee they charged me thanks to a small loan from a family member. The overdraft fees are unreasonable in value. Being charged overdraft for transactions that did not actually overdraw my account is unreasonable. Being charged about \$300 in less than a week for spending only \$35 over my account balance is not acceptable.

I support the proposed requirement that would require financial institutions to obtain consumers' affirmative consent (or opt-in) before any overdraft fees or charges may be imposed on consumers' accounts.

Banks should get explicit per

Sincerely,  
James Hosner  
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