From: John Clemens, CA

Subject: Electronic Fund Transfers

Comments:

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Proposal: Regulation E - Electronic Fund Transfers
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Comments:

        Overdraft protection is often used as a way to avoid the outrageously high
returned check fees. Both overdraft fees and returned check fees should be
imposed to cover processing costs, not to provide an income stream for the
banking industry. Nor should they be punitive, as the need for overdraft
protection is not always the fault of the consumer. When these fees are many
multiples of the associated processing costs they become punitive and are also
unconscionable, representing a gouging of the bank"s customers. Let banks earn
money in the traditional way, by lending out their depositor"s money.
Processing costs and fees should be fair to both sides and should not be used
to enhance the revenue stream.