

From: MaryJo Matheny
Subject: Electronic Fund Transfers

Comments:

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Dear Federal Reserve Board:

About three years ago, I was named guardian for a woman who was put on disability due to a serious heart ailment and other problems.. Her monthly income total was slightly more than \$500 (SSI). The federal government insisted that her money be placed in a checking account. After inquiry I chose 5/3 Bank, because it had "free" checking.

Because she sought independence from parasitic relatives, she moved to another city, away from them and away from me.) My client had moved to Cincinnati, the home office of 5/3 Bank, which seemed felicitous.

From the beginning of her stay in the new city, my client began having overdrafts of a couple of dollars with, of course, the attendant fees. I thought at first that she wasn't adjusted to the new environment and that she has miscalculated.

Even before I said anything to her, I checked with the bank to see if they could call me as soon as a check overdrafted, because invariably there would be two or three. The bank said they would put a notice in her file and try to comply with my wishes. I was never notified. After two or three months" rushing to the bank to pay overdrafts made several days before I got the notice, I asked if I could somehow avoid the problem before a penalty occurred. I was told that if I had an account in the bank I could add money as needed without penalty.

I applied for an account but was then told that it would have to be a joint account with my client's name on it, but that since my client had no credit, her name could not be placed there (and therefore there could be no account.)

Somewhere along the line, I called and told my client what was going on. She told me that she always meticulously checked her balance before writing a check. It was sometime later that I learned that she withdrew money from an ATM, not knowing that there was a transaction fee.

A very short time later she died. End of MY problem, but good lesson learned.

Sincerely,

MaryJo Matheny