

From: Mark Reynolds  
Subject: Electronic Fund Transfers

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Comments:

Dear federal regulator,

Just wanted to let you know that I wish this whole situation could revert to the way it once was for me. I had a Fleet checking account and I did not have overdraft protection on my ATM card. This meant that when I tried to buy something, and had insufficient funds in my account, I was declined. Very simple: insufficient funds = no purchase = no bank charge. My new bank has changed this equation radically to the following: not enough funds = purchase = unfunded expenditures = bank fees = personal debt. For a while at least, they also administered accounts in a way that made it very difficult to actually figure out how much money was in my account. Again, this used to be simple. If you had \$100 in your account and you spent \$50 on gas or from an ATM machine, in a very short period of time, your account would be updated to reflect a \$50 balance. I've learned that this quicker, but more old-fashioned updating, was based on the earliest electronic communications about the PENDING transaction between businesses and the bank. In reality, there often was a lag between these initial communications on a PENDING transaction and when the ACTUAL transaction took place. (So I was told.)

In my case, my new bank has profited handsomely by changing their system to update balances only to reflect ACTUAL transactions. By waiting to update a balance or projected balance the bank has created a blackout period where it's harder to know what you've spent and what money you have left. This is especially confusing for someone who previously relied on the more quickly updated system, which basically apprised you of your balance based on ACTUAL and PENDING expenses. When you ended up in the dark in the old system, which was rare, the end result was that you simply were declined a purchase. That was it. But now, the bank has made a decision to liberately keep people in the dark a while longer. So my bank has cashed in on a couple things here. First, they made it impossible to be declined a purchase or cash withdrawal based on insufficient funds...and then they greatly complicated the process of knowing what's in my account so I can avoid unfunded purchases. The only easy way to avoid a \$35 overdraft fee each time I err is to get a credit card for overdraft protection. By changing the rules and being tricky about updating account balances, the bank has leveraged me into getting a credit card I didn't want. It's dirty. Please fix this if it's possible.