

From: Churchill B. Hornstein  
Subject: Electronic Fund Transfers

---

Comments:

To Whom It May Concern;

It is my opinion that the entire system of overdraft fees is designed to allow banks to act as predators on low-income people. I know of case after case where a person's entire account was depleted by overdraft fees as a result of the chain reaction resulting from deposited items which failed to clear, or where the overdraft fees depleted an account, causing additional checks to bounce, resulting in more overdraft fees, etc. Many years ago, such an event resulted in my entire account going up in "overdraft smoke," in which a chain of 25 checks ended up bouncing. The resulting fees cost me two week's pay (read: work) to correct, with absolutely NO help from the bank. England passed laws two years ago limiting fees charged by banks on overdrafts, deciding that they amounted to punitive actions and extra-judicial actions against their customers. They were limited to the cost of actually reprocessing the checks that went bad - about \$1.18 at the time.

While I certainly support legal proceedings against persons who deliberately write bad checks, I view the current system as illegal, unethical and harmful to both families and the economy. We have certainly witnessed the recent exposure of many bankers as little more than dressed-up thieves.

I for one support consumer-friendly legislation regarding this entire question. I cannot, in the business I run, charge my customers for a single thing that I have not made them aware of in the course of a transaction. How it is that large institutions are allowed to do so is beyond reason, and utterly wrong.

Respectfully,  
Churchill B. Hornstein