

From: J. Davis
Subject: Electronic Fund Transfers

Comments:

Reform?

Let me share a personal experience with U.S. Bank; I will let you see how to reform this.

Our checking account went negative; we were charged \$37.50 twice (two days in a row) for the low balance, per transaction. Of course, transactions were sorted by amount to maximize the number of transactions failing. (Reform: eliminating the sort by dollar amount is a ONE LINE change in a program; very simple.) Each day after that, we were charged \$8.00 per day for having a negative balance. A postcard is sent out notifying us of the negative balance. In October, it got so bad that the entire \$xxxxx social security disability check was eaten up by U.S. Bank in one day! The same day it came in, ALL the money was gone, AND we still had a negative balance! Of course, bank fees were taken first, then charges to others. We had some monthly, regular charges that had not been stopped yet.

A business had an old copy of a debit card for this personal account and submitted a charge on that debit card. Since we also had a business account (which could not get a debit card connected to it!), U.S. Bank transferred all money from the business account to the personal account to collect most, but not all, of its fees. Then, it associated the debit card with the business account (which the bank said it could not do), ran it negative (remember the last sentence -- U.S. Bank took all the money out first!), then started charging overdraft fees (\$37.50 per day for two days, \$8.00 per day after that, including Sundays, holidays, etc.) . So, the second account was destroyed. Then, it found my wife's name on an account that her son used; her name was there for emergency purposes only. About \$1000 was taken from that account! Even after removing her name from the account some money disappeared from it!

Reform:

- 1) I like the idea of the consumer specifically opting in for this.
- 2) Can banks be restricted to destroying only the one account, not going after the second and third?
- 3) If a debit card is associated with a personal account, it should NOT be transferred to the business account. Especially, when they say we cannot have a debit card with the business account.
- 4) What about limits on overdraft fees?
OH! They charged us a fee for closing the account!

Now, we are on a list and cannot get a new checking account until we pay the total fees.

