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To: Overdraft Comments
Subject: Comments on Overdraft/Order of Check Processing

A year ago, my son was banking with [*Name of Financial Institution*]. He was careless with his money and often incurred overdraft charges, using his debit card for purchases or ATM withdrawals. If I'm remembering correctly, the first one was \$25 and after that they jumped to close to \$40.

[*Name of Financial Institution*] charged a fee the day that the charge was processed, and then proceeded to charge additional fees for each day that the balance was under \$0. We would transfer funds to him from savings, but it cost well over \$100 in most cases as funds took a couple of days to transfer into the account.

They *did* process checks/debit charges in highest to lowest figures, increasing the number of fees levied.

They also processed charges prior to deposits, resulting in fees. Several times, he deposited cash at the counter in the morning and used his debit card in the afternoon, only to find he was charged a fee because the charges were processed first.

Putting cash in the bank in the morning to cover his overdraft fees wasn't always processed until that night, and he would be charged the fee for an additional day (day of deposit).

We even asked that he *not* have overdraft protection and he was still charged overdraft fees with the explanation that the charge(s) showed up after the funds were dropped. This would be more believable if I hadn't worked with credit processing for a client and was aware that once the card is swiped, the account is checked for funds. The funds weren't there when the card was swiped by the retailer, so the charge should have been refused.

[*Name of Financial Institution*] has amended some of their practices since the new legislation. They no longer add fees daily. I'm not sure if they still process charges prior to deposits, but assume they do as this change has not been mandated.

Deborah Becker