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From: Allison McNally [mailto:allison.mcnally@yahoo.com]  
Sent: Tuesday, August 17, 2010 11:20 AM  
To: Overdraft Comments  
Subject: Offensive Bank Fees

Good morning,

I just read an article titled "Those Offensive bank fees." Before I comment on this article, I feel it's only fair to share some of my background. I am 25 years old, and have worked in the banking industry for the past 5+ years. The bank I work for is slightly different than the ones that are slaughtered in the article. I work for a community owned and operated bank, the last of its kind in my area. The bank I work for has been passed down through 5 generations to date. It was one of the very few banks nationwide that defied a federal mandate to shut its doors during the great depression and is still standing. Instead, the bank president literally laid out all of its funds in plain sight and worked with the people. The bank assured the people that their funds were still there, and was very lenient and understanding when people couldn't pay due to economic hardships.

That attitude has continued today and is ever more present with the struggling economy, especially here in Michigan. I have personally witnessed top executives reaching into their own purses or wallets and handing out twenty dollar bills when customers couldn't afford to buy milk or gas. There was no guilt, no condemnation, just a "It's okay, I know you'd do it for me if you could." While it is a sad situation to witness, the generosity and kindness that comes down from these people is overwhelming.

#### THAT IS COMMUNITY BANKING.

That being said, I believe that the majority of the issues discussed in this article imply that all financial institutions are preying on the everyday consumer. This couldn't be further from the truth. For over five years I have witnessed overdraft situation after overdraft situation. While occasionally, (rarely at best) it has been a simple mistake, more often it is a greed and an attitude of entitlement. As I have stated, I am 25 years old. I feel that a large portion of my generation is irresponsible. We have been coddled and nurtured that regardless what happens, someone else is to blame and we are nearly infallible. This scares me, and it should scare you and everyone else as well.

Since when is it the banks' responsibility to teach consumer's education and basic arithmetic?

I will liken it to something that may hit closer to home- If I, or anyone, have been at a bar, or a restaurant, and I've had too many drinks, ("...you were careless, you admit...") and then I decide to drive around, (just a few blocks- or write, just a few checks) how is it anyone's fault other than the drinker/driver who chose to break the law?

Writing checks when you don't have the funds to cover it (again- "...you were careless, you admit it, but...") that is against the law. Blaming the banks for charging a fee is the same thing as blaming the police officer for giving you a ticket.

And there was an error in the article regarding Regulation E- The regulation does state that the bank has to have the permission of its customer to charge the overdraft fee. The regulation does not, to the best of my knowledge, consider that not all banks are on "real time." While you are very well aware of the differences I'm sure, when a debit card purchase goes through, when it is not "real time" it goes to a third party service provider (ours is Nyce). They process the transaction, and then send it on to the financial institution. Depending on how the transaction was run (as a debit using the pin number, or as a credit to allow for a greater amount if necessary) it can take up to two business days before it actually posts on the account. As you can see, during those two business days, checks could have posted to the account, the customer could have made over the counter withdrawals,... the options are endless. In the case where the debit cards are not "real time" the financial institution is left with no option but to pay the charge. Regulation E only states that we cannot charge an overdraft fee for the debit. The article states that the charge will be returned, unless they opted in. I can see the original intent behind Regulation E from keeping the bigger more aggressive banks (note- the ones who needed the government bailout money and got us into this mess) from preying on consumers for fees, but it says nothing of Community banks who cannot possibly absorb the cost of converting to a real time system. (Thousands and thousands of dollars), the same Community Banks who are responsible and work FOR their customers.

Maybe customers are fed up, but where is that blunt honesty saying to them to be responsible for their own actions? Why is it that the real problems in this issue are not addressed- many consumers are acting irresponsibly, just like SOME financial institutions are taking advantage. Consumers need to be responsible for their own choices and actions. Where is the accountability here, or is that out of reach in this day and age? Will we always have someone else to blame?

Allison McNally