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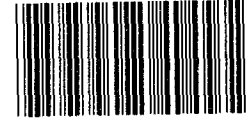


COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

*W. J. A.*

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The Honorable Benjamin S. Rosenthal  
Chairman, Subcommittee on Commerce,  
Consumer and Monetary Affairs  
Committee on Government Operations  
House of Representatives

*HSE01301*

Dear Mr. Chairman:

By letters dated December 14, 1978, and December 22, 1978, you requested that we demonstrate whether the automatic savings-to-checking transfer service and negotiable orders-of-withdrawal plans offer more advantages for depositors than other checking and savings account alternatives. Using nine simulated depositors (see enc. I), we analyzed the service charges and interest incomes associated with such plans offered by banks and savings and loan associations in six cities. We believe that the levels at which banking institutions establish their minimum balance requirements are the key factors depositors should consider when deciding whether to use a transfer service or continue with a regular checking and savings account program. Based on what we reviewed, we believe consumers would find it difficult to compare the various transfer plans offered with one another or with "regular" checking and savings accounts using only the current advertised information or printed information available from banking institutions.

INSTITUTIONS SELECTED

We used information provided by the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Home Loan Bank Board to select the banks and savings and loan associations. We selected three institutions in each of the following cities: Boston, Chicago, Dallas, Los Angeles, New York, and Washington, D.C. The institutions agreed to participate in our study knowing they might be identified in this report as you requested. However, based

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on an opinion from our General Counsel, we must comply with the restriction on identifying open financial institutions in section 5(A) of Public Law 95-320 (92 Stat. 391).

The institutions were chosen to represent a variety of transfer plans. As described in enclosure IV, we looked at programs with various minimum balance requirements and one to three types of service charges.

To avoid complicating our models, we excluded from our analysis any

- telephone transfer services made between thrift institutions and banks,
- time deposit instruments,
- opportunity cost of not placing monies in other investments,
- costs associated with purchasing checks,
- deposit inducement programs, and
- overdraft protection programs related to bank credit cards.

#### DEPOSITOR MODELS

To uniformly compare the wide variety of transfer plans, we created nine depositors and detailed 3-month checking and savings account models for each of them. The depositors' profiles are shown in enclosure I. They varied in terms of available funds (depositors A, B, and C, low; depositors D, E, and F, middle; and depositors G, H, and I, moderately high) and checks written per month. The models were used for calculating income and expense for each institution's transfer or negotiable-orders-of-withdrawal account and most advantageous regular checking and savings accounts.

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INCOME HIGHER  
FOR SOME DEPOSITORS

Some plans enable depositors who maintain specified minimum balance amounts to receive free service. Our review showed a range of minimum balances from \$200 to \$5,000 (see enc. IV), with some banks offering a choice of minimum balance in either the checking or savings account. One transfer plan neither required a minimum balance for free service nor charged fees.

In response to your question concerning the significant advantages of savings-to-checking transfer plans, we found that all but the lowest income depositors would usually benefit from selecting transfer plans. For depositors D through I, these transfer plans offered generally higher income than regular checking and savings accounts. However, as demonstrated by the following chart, depositors unable to meet and consistently maintain prescribed minimum balance requirements (usually depositors A - C) would fare better with regular checking and savings accounts.

Net Income of Transfer Service Minus Net Income  
of Regular Accounts--Average for 17 (note a)  
Institutions by Depositor Type

<u>Depositor type</u>	<u>Economic status</u>	<u>Checking activity</u>	<u>Average annual net income (nearest dollar)</u>
Depositor A	low	low	\$(14.00)
Depositor B	low	medium	(22.00)
Depositor C	low	high	(27.00)
Depositor D	medium	low	16.00
Depositor E	medium	medium	20.00
Depositor F	medium	high	14.00
Depositor G	moderately high	low	42.00
Depositor H	moderately high	medium	52.00
Depositor I	moderately high	high	40.00

a/One banking institution has no comparable checking account.

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From our analysis of depositors' incomes and expenses by institution (see encs. II and III), we believe that the minimum balance needed to avoid service charges was a key factor in determining whether or not a transfer plan was beneficial. In 16 of 18 cases, depositors could open a transfer account even if it proved to be uneconomical. One bank would not let depositors A, B, and C participate in transfer accounts because they could not deposit the amount needed to open the account. Specifically, we found that

- Depositors A, B, and C could not meet initial minimum balance requirements of \$1,000 or more to obtain free service. Therefore, these depositors should consider using regular checking and savings programs.
- Depositors D, E, and F, in most all cases, maintained minimum balances, but net income was subject to depositors' checking activities and fee combinations. Therefore, these depositors may want to shop for fee combinations best suited to their checking activities.
- Depositors G, H, and I met all initial and daily minimum balance requirements and were less affected by service charge structures. Therefore, these depositors had greater flexibility in selecting a suitable transfer service.

If depositors were to follow the prescribed transfer account requirements, they could virtually eliminate service charges. The lower the minimum balance, the more appealing the transfer plans become to all potential depositors. However, depositors unable to meet minimum balances should either select a transfer plan with a compensating rate structure or continue with regular checking and savings patterns.

We found that most depositors benefited when a plan used a flat monthly fee. We found that, in most cases, flat fees resulted in a smaller expense being deducted from depositor incomes. As fees (per transfer and per check) are added, more of the depositors' income is offset. For example, depositor D had more income from a bank offering a flat fee than from a bank offering a combination of fees.

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SERVICE CHARGE  
STRUCTURES ARE CONFUSING

Most decisions about service charge structures have been left to the banking institutions' discretion. Applicable regulations permit banking institutions to decide on specific charges, such as per transfer fees, per check fees, fixed monthly fees, and forfeiture of interest. We found that service charges were not uniform among banking institutions, making a straightforward comparison difficult. As shown by enclosure IV, the 18 institutions we contacted used various service charge combinations. For example, one bank used only a flat fee which was charged if the customer's balance fell below the specified minimum balance. Another bank used a flat fee, a per check fee, and a per transfer fee, offset by a credit for maintaining a specific balance in the transfer checking account.

Confronted by so many different service charge arrangements, most depositors would probably have difficulty selecting a transfer plan to fit their particular checking and savings patterns.

AVAILABLE INFORMATION NOT  
ADEQUATE FOR DEPOSITOR COMPARISONS

Depositors need complete plan information to decide whether to accept new transfer account plans or continue with present checking and savings accounts. Banking institutions offer brochures explaining the basic transfer account requirements such as service charges, interest rates, and any plan restrictions. Depositors could use this information to decide if transfer account plans would be more beneficial than their present checking and savings plans. From analyzing available brochures, we found that basic transfer account information provided to depositors was generally understandable. However, to make a decision, depositors would need to ask additional questions such as:

--How is interest compounded?

--How is the minimum balance calculated?

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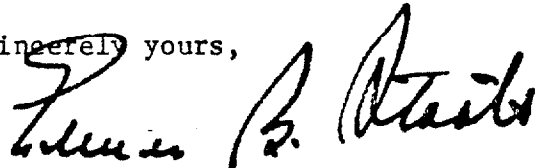
--How do service charges change when the depositor does or does not meet minimum account balance requirements?

--How do monthly checking patterns affect service charges?

The answers to these questions were often needed to calculate the estimated income and expense for our simulated depositors. Usually we got the answers from discussions with bank officials rather than from advertisements or information brochures.

Due to the time constraints in providing this letter to your Subcommittee, we have not obtained formal comments from the Federal financial institution regulators. In accordance with our policy, unless you publicly announce its contents earlier, no further distribution of this report will be made until 30 days from the date of this letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "James B. Stewart". The signature is written in a cursive style with a large initial "J".

Comptroller General  
of the United States

Enclosures - 4

Depositor Model CharacteristicsDepositor profile characteristics

<u>Depositor type</u>	<u>Economic status (note a)</u>	<u>Checking activity (note b)</u>	<u>Savings account minimum balance requirements (note c)</u>
Depositor A	low	low	below
Depositor B	low	medium	below
Depositor C	low	high	below
Depositor D	middle	low	above
Depositor E	middle	medium	above
Depositor F	middle	high	above
Depositor G	moderately high	low	above
Depositor H	moderately high	medium	above
Depositor I	moderately high	high	above

a/General assumptions for economic status:

- Low economic group; \$13,000 or below of disposable income.
- Middle economic group; between \$13,000 to \$30,000 of disposable income.
- Moderately high economic group; above \$30,000 of disposable income.

b/General assumptions for checking activity:

- Low activity; not more than 20 checks written per month.
- Medium activity; between 21 and 30 checks written per month.
- High activity; 30 checks or more written per month.

c/Some depositors' monthly savings balances would be below the minimum or average daily balance requirements.

Checking and savings account  
characteristics

We reviewed some actual checking and savings accounts to learn about day-to-day banking patterns for different types of depositors. We also created simple checking and savings models. We developed a 3-month savings and checking account statement for each depositor profile as a basis for computing interest and service charges at participating banking institutions. Due to time constraints, we could not construct more sophisticated models by observing depositor banking habits. With the approval and assistance of bank officials, we used our models consistently at each participating institution to simulate actual interest incomes and service charges.



Depositor's Annual Net Income Benefits for Each  
Banking Institution

<u>Banking institution</u>	<u>Depositor A</u>		<u>Depositor B</u>		<u>Depositor C</u>	
	<u>Transfer plan</u>	<u>Standard program</u>	<u>Transfer plan</u>	<u>Standard program</u>	<u>Transfer plan</u>	<u>Standard program</u>
Bank 1--Washington	\$(43.76)	\$(15.60)	\$ (66.20)	\$(28.40)	\$ (86.56)	\$(39.76)
Bank 2--Washington	(91.64)	(23.32)	(110.92)	(23.32)	(127.96)	(23.32)
Bank 3--Washington	(17.32)	(18.92)	(27.72)	(29.72)	(27.12)	(40.52)
Bank 4--Boston	(20.88)	(34.24)	(41.08)	(50.64)	(65.28)	(74.84)
Bank 5--Boston	(12.88)	(13.60)	(38.28)	(25.00)	(60.84)	(74.84)
Bank 6--Boston	27.56	(a)	24.12	(a)	25.68	(a)
Bank 7--New York	(31.76)	(23.24)	(40.96)	(23.24)	(50.16)	(23.24)
Bank 8--New York	(21.68)	(19.24)	(24.88)	(23.24)	(25.64)	(23.24)
Bank 9--New York	(21.68)	(3.24)	(24.88)	(15.44)	(25.64)	(23.20)
Bank 10--Dallas	(30.84)	(30.84)	(34.84)	(34.84)	(34.84)	(34.84)
Bank 11--Dallas	(22.84)	(22.84)	(22.84)	(22.84)	(22.84)	(22.84)
Bank 12--Dallas	(b)	(30.84)	(b)	(34.84)	(b)	(34.84)
Bank 13--Chicago	(93.16)	(23.24)	(118.88)	(11.24)	(146.36)	(11.24)
Bank 14--Chicago	(45.80)	(47.24)	(49.08)	(34.48)	(46.20)	(23.24)
Bank 15--Chicago	(56.84)	(42.88)	(68.40)	(22.88)	(79.64)	(22.88)
Bank 16--Los Angeles	(92.68)	(62.68)	(107.48)	(77.48)	(118.28)	(88.28)
Bank 17--Los Angeles	(28.68)	(35.24)	(41.04)	(35.24)	(53.84)	(35.24)
Bank 18--Los Angeles	(29.60)	(18.84)	(40.52)	(29.64)	(55.04)	(40.44)

a/Bank has no comparable checking account.

b/The bank would not let the depositor participate in the transfer account plan because minimum balance requirements were not met.

ENCLOSURE II

ENCLOSURE II

Depositor's Annual Net Income Benefits for Each  
Banking Institution (con't.)

<u>Banking institution</u>	<u>Depositor G</u>		<u>Depositor H</u>		<u>Depositor I</u>	
	<u>Transfer plan</u>	<u>Standard program</u>	<u>Transfer plan</u>	<u>Standard program</u>	<u>Transfer plan</u>	<u>Standard program</u>
Bank 1--Washington	\$258.56	\$232.96	\$248.80	\$225.16	\$222.24	\$211.80
Bank 2--Washington	257.72	259.44	253.60	259.44	232.20	259.44
Bank 3--Washington	329.72	259.44	337.64	243.04	326.20	259.44
Bank 4--Boston	316.00	264.68	335.12	264.68	323.08	264.68
Bank 5--Boston	316.00	264.68	335.12	252.44	323.08	257.56
Bank 6--Boston	349.68	(a)	359.76	(a)	346.12	(a)
Bank 7--New York	331.00	260.92	340.22	260.92	327.88	260.92
Bank 8--New York	331.56	260.92	341.60	260.92	328.20	260.92
Bank 9--New York	331.56	260.92	341.60	260.92	328.20	260.92
Bank 10--Dallas	260.96	260.96	260.96	260.96	260.96	260.96
Bank 11--Dallas	260.96	260.96	260.96	260.96	260.96	260.96
Bank 12--Dallas	248.96	260.96	248.96	260.96	248.96	260.96
Bank 13--Chicago	331.56	260.96	341.48	260.96	331.80	260.96
Bank 14--Chicago	330.36	260.96	340.56	248.96	328.16	260.96
Bank 15--Chicago	341.04	268.32	350.04	268.32	337.20	268.32
Bank 16--Los Angeles	231.36	261.36	206.96	236.96	231.36	261.36
Bank 17--Los Angeles	332.40	260.96	341.04	260.96	329.00	260.96
Bank 18--Los Angeles	331.60	260.96	341.32	260.96	328.16	260.96

a/Bank has no comparable checking account

Depositor's Annual Net Income Benefits for Each  
Banking Institution (con't.)

<u>Banking institution</u>	<u>Depositor D</u>		<u>Depositor E</u>		<u>Depositor F</u>	
	<u>Transfer plan</u>	<u>Standard program</u>	<u>Transfer plan</u>	<u>Standard program</u>	<u>Transfer plan</u>	<u>Standard program</u>
Bank 1--Washington	\$ 84.04	\$94.56	\$ 78.20	\$ 87.72	\$ 52.52	\$ 73.36
Bank 2--Washington	59.48	127.52	57.96	127.52	39.40	127.52
Bank 3--Washington	155.52	95.52	163.96	84.72	155.40	75.12
Bank 4--Boston	154.52	130.04	163.04	130.04	147.36	130.04
Bank 5--Boston	154.52	109.04	163.04	101.24	147.36	88.36
Bank 6- Boston	166.00	(a)	173.76	(a)	164.72	(a)
Bank 7--New York	157.72	128.28	164.24	128.28	155.40	128.28
Bank 8--New York	156.88	128.28	165.08	128.28	155.40	128.28
Bank 9--New York	156.88	128.28	165.08	128.28	155.40	128.28
Bank 10--Dallas	116.28	116.28	128.28	128.28	112.28	112.28
Bank 11--Dallas	118.88	96.28	115.88	100.28	84.80	96.28
Bank 12--Dallas	104.28	116.28	116.28	128.28	84.28	96.28
Bank 13--Chicago	44.68	120.24	50.28	120.24	27.32	107.88
Bank 14--Chicago	156.96	92.28	164.96	92.28	156.08	92.28
Bank 15--Chicago	161.23	131.88	167.92	131.88	160.48	117.88
Bank 16--Los Angeles	34.20	64.20	27.40	57.40	5.80	35.80
Bank 17--Los Angeles	157.44	80.24	165.92	80.24	154.24	80.24
Bank 18--Los Angeles	156.92	106.20	166.80	128.20	157.04	93.00

a/Bank has no comparable checking account.

DEPOSITOR A PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to-checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$25.24	\$ 69.00	\$(43.76)	\$11.40	\$27.00	\$(15.56)
Bank 2--Washington	26.36	118.00	(91.64)	12.68	24.00	(11.32)
Bank 3--Washington	18.68	36.00	(17.32)	12.68	31.60	(18.92)
Bank 4--Boston	26.32	47.20	(20.88)	12.96	47.20	(34.24)
Bank 5--Boston	26.32	39.20	(12.88)	12.96	26.56	(13.60)
Bank 6--Boston	27.56	-	27.56	-	(a)	-
Bank 7--New York	25.24	57.00	(31.76)	12.76	36.00	(23.24)
Bank 8--New York	26.32	48.00	(21.68)	12.76	32.00	(19.24)
Bank 9--New York	26.32	48.00	(21.68)	12.76	16.00	(3.24)
Bank 10--Dallas	13.16	44.00	(30.84)	13.16	44.00	(30.84)
Bank 11--Dallas	13.16	36.00	(22.84)	13.16	36.00	(22.84)
Bank 12--Dallas	-	(b)	-	13.16	44.00	(30.84)
Bank 13--Chicago	25.84	119.00	(93.16)	12.76	36.00	(23.24)
Bank 14--Chicago	26.20	72.00	(45.80)	12.76	60.00	(47.24)
Bank 15--Chicago	26.16	83.00	(56.84)	13.12	56.00	(42.88)
Bank 16--Los Angeles	12.92	105.60	(92.68)	12.92	75.60	(62.68)
Bank 17--Los Angeles	26.52	55.20	(28.68)	12.76	48.00	(35.24)
Bank 18--Los Angeles	26.00	55.60	(29.60)	12.72	31.60	(18.80)

a/Bank has no comparable checking account.

b/The bank would not let the depositor participate in the transfer account plan because minimum balance requirements were not met.

ENCLOSURE III

ENCLOSURE III

DEPOSITOR B PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to-checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$22.00	\$ 88.20	\$ (66.20)	\$11.44	\$39.84	\$(28.40)
Bank 2--Washington	23.08	134.00	(110.92)	12.68	36.00	(23.32)
Bank 3--Washington	8.28	36.00	(27.72)	12.68	42.40	(29.72)
Bank 4--Boston	22.52	63.60	(41.08)	12.96	63.60	(50.64)
Bank 5--Boston	22.52	60.80	(38.28)	12.96	37.96	(25.00)
Bank 6--Boston	24.12	-	24.12	-	(a)	-
Bank 7--New York	22.04	63.00	(40.96)	12.76	36.00	(23.24)
Bank 8--New York	22.04	48.00	(24.88)	12.76	36.00	(23.22)
Bank 9--New York	22.04	48.00	(24.88)	12.76	28.20	(15.44)
Bank 10--Dallas	13.16	48.00	(34.84)	13.16	48.00	(34.84)
Bank 11--Dallas	13.16	36.00	(22.84)	13.16	36.00	(22.84)
Bank 12--Dallas	-	(b)	-	13.16	48.00	(34.84)
Bank 13--Chicago	22.12	141.00	(118.88)	12.76	24.00	(11.24)
Bank 14--Chicago	22.92	72.00	(49.08)	12.76	36.00	(34.48)
Bank 15--Chicago	22.60	89.00	(66.40)	13.12	36.00	(22.88)
Bank 16--Los Angeles	12.92	120.40	(107.48)	12.92	90.40	(77.48)
Bank 17--Los Angeles	23.76	64.80	(41.04)	12.76	48.00	(35.24)
Bank 18--Los Angeles	25.88	66.40	(40.52)	12.76	42.40	(29.64)

a/Bank has no comparable checking account.

b/The bank would not let the depositor participate in the transfer account plan because minimum balance requirements were not met.

DEPOSITOR C PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to-checking transfer account</u>			<u>Standard checking and savings program</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$20.44	\$107.00	\$ (86.56)	\$11.44	\$ 51.16	\$(39.72)
Bank 2--Washington	22.04	150.00	(127.96)	12.68	36.00	(23.32)
Bank 3--Washington	8.88	36.00	(27.12)	12.68	53.20	(40.52)
Bank 4--Boston	21.56	87.80	(66.24)	12.96	87.80	(74.84)
Bank 5--Boston	21.56	82.40	(60.84)	12.96	47.92	(34.96)
Bank 6--Boston	25.68	-	25.68	-	(a)	-
Bank 7--New York	20.84	71.00	(50.16)	12.76	36.00	(23.24)
Bank 8--New York	22.36	48.00	(25.64)	12.76	36.00	(23.24)
Bank 9--New York	22.36	48.00	(25.64)	12.76	35.96	(23.20)
Bank 10--Dallas	13.16	48.00	(34.84)	13.16	48.00	(34.84)
Bank 11--Dallas	13.16	36.00	(22.84)	13.16	36.00	(22.84)
Bank 12--Dallas	-	(b)	-	13.16	48.00	(34.84)
Bank 13--Chicago	21.64	168.00	(146.36)	12.76	24.00	(11.24)
Bank 14--Chicago	25.80	72.00	(46.20)	12.76	36.00	(23.24)
Bank 15--Chicago	22.36	99.00	(76.64)	13.12	36.00	(22.88)
Bank 16--Los Angeles	12.92	131.20	(118.28)	12.92	101.20	(88.28)
Bank 17--Los Angeles	22.96	76.80	(53.84)	12.76	48.00	(35.24)
Bank 18--Los Angeles	22.16	77.20	(55.04)	12.92	53.20	(40.44)

a/Bank has no comparable checking account.

b/The bank would not let the depositor participate in the transfer account plan because minimum balance requirements were not met.

ENCLOSURE III

ENCLOSURE III

DEPOSITOR D PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to-checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$154.44	\$ 70.40	\$ 84.04	\$114.72	\$20.16	\$ 94.56
Bank 2--Washington	155.48	96.00	59.48	127.52	-	127.52
Bank 3--Washington	155.52	-	155.52	127.52	32.00	95.52
Bank 4--Boston	154.52	-	154.52	130.04	-	130.04
Bank 5--Boston	154.52	-	154.52	130.04	21.00	109.04
Bank 6--Boston	166.00	-	166.00	-	(a)	-
Bank 7--New York	158.96	-	158.96	128.28	-	128.28
Bank 8--New York	156.88	-	156.88	128.28	-	128.28
Bank 9--New York	156.88	-	156.88	128.28	-	128.28
Bank 10--Dallas	128.28	12.00	116.28	128.28	12.00	116.28
Bank 11--Dallas	121.88	3.00	118.88	128.28	32.00	96.28
Bank 12--Dallas	128.28	24.00	104.28	128.28	12.00	116.28
Bank 13--Chicago	152.68	108.00	44.68	128.28	8.00	120.24
Bank 14--Chicago	156.96	-	156.96	128.24	36.00	92.28
Bank 15--Chicago	161.23	-	161.23	131.88	-	131.88
Bank 16--Los Angeles	128.20	94.00	34.20	128.20	64.00	64.20
Bank 17--Los Angeles	157.44	-	157.44	128.24	48.00	80.24
Bank 18--Los Angeles	156.92	-	156.92	128.20	22.00	106.20

a/Bank has no comparable checking account.

ENCLOSURE III

ENCLOSURE III

DEPOSITOR E PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to-checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$162.80	\$ 84.60	\$ 78.20	\$114.72	\$27.00	\$ 87.72
Bank 2--Washington	163.96	106.00	57.96	127.52	-	127.52
Bank 3--Washington	163.96	-	163.96	127.52	42.80	84.72
Bank 4--Boston	163.04	-	163.04	130.04	-	130.04
Bank 5--Boston	163.04	-	163.04	130.04	28.80	101.24
Bank 6--Boston	173.76	-	173.76	-	(a)	-
Bank 7--New York	164.24	-	167.20	128.28	-	128.28
Bank 8--New York	165.08	-	165.08	128.28	-	128.28
Bank 9--New York	165.08	-	165.08	128.28	-	128.28
Bank 10--Dallas	128.28	-	128.28	128.28	-	128.28
Bank 11--Dallas	119.88	4.00	115.88	128.28	28.00	100.28
Bank 12--Dallas	128.28	12.00	116.28	128.28	-	128.28
Bank 13--Chicago	164.28	114.00	50.28	128.28	8.00	120.24
Bank 14--Chicago	164.96	-	164.96	128.28	36.00	92.28
Bank 15--Chicago	167.92	-	167.92	131.88	-	131.88
Bank 16--Los Angeles	128.20	100.80	27.40	128.20	70.80	57.40
Bank 17--Los Angeles	165.92	-	165.92	128.24	48.00	80.24
Bank 18--Los Angeles	166.80	-	166.80	128.20	-	128.20

a/Bank has no comparable checking account.



DEPOSITOR F PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$154.12	\$101.60	\$ 52.52	\$114.72	\$41.36	73.36
Bank 2--Washington	155.40	116.00	39.40	127.52	-	127.52
Bank 3--Washington	155.40	-	155.40	127.52	52.40	75.12
Bank 4--Boston	147.36	-	147.36	130.04	-	130.04
Bank 5--Boston	147.36	-	147.36	130.04	41.68	88.36
Bank 6--Boston	164.72	-	164.72	-	(a)	-
Bank 7--New York	155.40	-	155.40	128.28	-	128.28
Bank 8--New York	156.04	-	155.40	128.28	-	128.28
Bank 9--New York	156.04	-	155.40	128.28	-	128.28
Bank 10--Dallas	128.28	16.00	112.28	128.28	16.00	112.28
Bank 11--Dallas	88.80	4.00	84.80	128.28	32.00	96.28
Bank 12--Dallas	128.28	44.00	84.28	128.28	32.00	96.28
Bank 13--Chicago	155.32	128.00	27.32	128.24	16.00	112.24
Bank 14--Chicago	156.08	-	156.08	131.88	36.00	92.28
Bank 15--Chicago	160.48	-	160.48	131.88	24.00	107.88
Bank 16--Los Angeles	128.20	122.40	5.80	128.20	92.40	35.80
Bank 17--Los Angeles	154.24	-	154.24	128.24	48.00	80.24
Bank 18--Los Angeles	157.04	-	157.04	128.20	35.20	93.00

a/ Bank has no comparable checking account.

DEPOSITOR G PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to-checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$328.56	\$70.00	\$258.56	\$233.44	\$ .48	\$232.96
Bank 2--Washington	329.72	72.00	257.72	259.44	-	259.44
Bank 3--Washington	329.72	-	329.72	259.44	-	259.44
Bank 4--Boston	316.00	-	316.00	264.68	-	264.68
Bank 5--Boston	316.00	-	316.00	264.68	5.04	259.64
Bank 6--Boston	349.68	-	349.68	-	(a)	-
Bank 7--New York	331.00	-	331.00	260.92	-	260.92
Bank 8--New York	331.56	-	331.56	260.92	-	260.92
Bank 9--New York	331.56	-	331.56	260.92	-	260.92
Bank 10--Dallas	260.96	-	260.96	260.96	-	260.96
Bank 11--Dallas	260.96	-	260.96	260.96	-	260.96
Bank 12--Dallas	260.96	12.00	248.96	260.96	-	260.96
Bank 13--Chicago	331.56	-	331.56	260.96	-	260.96
Bank 14--Chicago	330.36	-	330.36	260.96	-	260.96
Bank 15--Chicago	341.04	-	341.04	268.32	-	268.32
Bank 16--Los Angeles	261.36	30.00	231.36	261.36	-	261.36
Bank 17--Los Angeles	332.40	-	332.40	260.96	-	260.96
Bank 18--Los Angeles	331.60	-	331.60	260.96	-	260.96

a/Bank has no comparable checking account.

ENCLOSURE III

ENCLOSURE III

DEPOSITOR H PROFILE

Annual Net Benefit Computations

<u>Banking institutions</u>	<u>Automatic savings-to checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$336.40	\$87.60	\$248.80	\$233.44	\$ 8.28	\$255.16
Bank 2--Washington	337.60	84.00	253.60	259.44	-	259.44
Bank 3--Washington	337.64	-	337.64	259.44	16.40	243.04
Bank 4--Boston	335.12	-	335.12	264.68	-	264.68
Bank 5--Boston	335.12	-	335.12	264.68	9.32	255.36
Bank 6--Boston	359.76	-	359.76	-	(a)	-
Bank 7--New York	340.22	-	341.60	260.92	-	260.92
Bank 8--New York	341.60	-	341.60	260.92	-	260.92
Bank 9--New York	341.60	-	341.60	260.92	-	260.92
Bank 10--Dallas	260.96	-	260.96	260.96	-	260.92
Bank 11--Dallas	260.96	-	260.96	260.96	-	260.92
Bank 12--Dallas	260.96	12.00	248.96	260.96	-	260.96
Bank 13--Chicago	341.48	-	341.48	260.96	-	260.96
Bank 14--Chicago	340.56	-	340.56	260.96	12.00	248.96
Bank 15--Chicago	350.04	-	350.04	268.32	-	268.32
Bank 16--Los Angeles	261.36	54.40	206.96	261.36	24.40	236.96
Bank 17--Los Angeles	341.04	-	341.04	260.96	-	260.96
Bank 18--Los Angeles	341.32	-	341.32	260.96	-	260.96

a/Bank has no comparable checking account

DEPOSITOR I PROFILE

Annual Net Benefit Computations

<u>Banking institution</u>	<u>Automatic savings-to checking transfer account</u>			<u>Standard checking and savings programs</u>		
	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>	<u>Interest</u>	<u>Charges</u>	<u>Net benefit</u>
Bank 1--Washington	\$324.84	\$102.60	\$222.24	\$233.44	\$21.64	\$211.80
Bank 2--Washington	326.20	94.00	232.20	259.44	-	259.44
Bank 3--Washington	326.20	-	326.20	259.44	-	259.44
Bank 4--Boston	323.08	-	323.08	264.68	-	264.68
Bank 5--Boston	323.08	-	323.08	264.68	7.12	257.56
Bank 6--Boston	346.12	-	346.12	-	(a)	-
Bank 7--New York	327.88	-	327.88	260.92	-	260.92
Bank 8--New York	328.20	-	328.20	260.92	-	260.92
Bank 9--New York	328.20	-	328.20	260.92	-	260.92
Bank 10--Dallas	260.96	-	260.96	260.96	-	260.92
Bank 11--Dallas	260.96	-	260.96	260.96	-	260.96
Bank 12--Dallas	260.96	12.00	248.96	260.96	-	260.96
Bank 13--Chicago	331.80	-	331.80	260.96	-	260.96
Bank 14--Chicago	328.16	-	328.16	260.96	-	260.96
Bank 15--Chicago	337.20	-	337.20	268.32	-	268.32
Bank 16--Los Angeles	261.36	30.00	231.36	261.36	-	261.36
Bank 17--Los Angeles	329.00	-	329.00	260.96	-	260.96
Bank 18--Los Angeles	328.16	-	328.16	260.96	-	260.96

a/Bank has no comparable checking account.

BANKING INSTITUTIONS' AUTOMATED TRANSFER  
SERVICE CHARACTERISTICS

<u>Banking institution</u>	<u>Minimum balance required for free service</u>		<u>Interest compounding cycle (5% stated rate) (note a)</u>	<u>Service charges (below minimum balance) (note b)</u>		
	<u>Checking</u>	<u>Savings</u>		<u>Per check</u>	<u>Per transfer</u>	<u>Flat rate</u>
Bank 1--Washington	-	\$ 200	daily	\$0.10	\$0.25	<u>c/</u> \$1.00
Bank 2--Washington	-	5,000	daily	-	0.50	<u>d/</u> 4.00
Bank 3--Washington	-	1,000	daily	-	-	<u>d/</u> \$3.00
Bank 4--Boston (note e)	-	<u>f/</u> 400	continuously	-	-	\$1.50
Bank 5--Boston (note e)	-	500	daily	0.20	-	<u>g/</u> \$2.00
Bank 6--Boston (note e)	-	(h)	continuously	-	-	-
Bank 7--New York	\$400	<u>i/</u> 1,000	daily	-	0.75	<u>i/</u> \$1.00
Bank 8--New York (note e)	-	(k)	daily	-	-	\$4.00
Bank 9--New York (note e)	-	2,000	daily	-	-	<u>c/</u> \$4.00
Bank 10--Dallas	-	700	daily	-	1.00	<u>d/</u> 4.00
Bank 11--Dallas	-	(h)	daily	-	1.00	-
Bank 12--Dallas	-	400	daily	0.25	0.25	\$3.00
Bank 13--Chicago	-	1,000	continuously	-	-	\$6.00
Bank 14--Chicago	-	5,000	daily	-	<u>d/</u> 0.75	\$1.00
Bank 15--Chicago	-	2,500	continuously	-	0.25	\$3.00
Bank 16--Los Angeles	-	(h)	daily	-	(1)	<u>d/</u> \$2.50
Bank 17--Los Angeles	-	2,500	daily	0.10	-	\$3.00
Bank 18--Los Angeles	800	<u>i/</u> 2,000	daily	0.10	-	<u>d/i/</u> \$3.00

a/Banks compute and compound interest on a daily or continuous basis with actual interest being recorded in the depositors' accounts on either a monthly or quarterly cycle.

b/Maximum maintenance and service charges are shown.

c/Bank gives a credit for each \$100 average balance maintained in checking account to reduce service charges.

d/Bank has a graduated rate structure for depositors below balance requirements.

e/Bank has negotiable-orders-of-withdrawal accounts.

f/Bank changed minimum balance requirements effective March 26, 1979.

g/Bank charges a statement fee or a per check charge, whichever is greater for that month.

h/Bank does not require minimum balance to obtain "free" checking services.

i/Bank provides "free" checking services if either minimum balance is maintained.

j/Depositor has choice between two transfer account plans.

k/Bank requires depositors to maintain an average combined monthly balance of \$3000 or more in either a checking or savings account.

l/Bank has a graduated transfer charge up to a maximum of \$3.00.