

From: Morita Bruce , MA
Subject: Electronic Fund Transfers

Comments:

TO: The Federal Reserve

To protect people from accidental and very expensive overdraft fees on credit or debit cards, please:

1. Require that people opt-in to overdraft protection program in order to participate (not have to opt out).
2. Unless the customer specifically requests otherwise, require banks to include a reminder at every point-of-use when that transaction will incur an overdraft or overlimit fee, and tell the user how much the fee is for that transaction. This means EVERY time it applies - ATMs, stores, restaurants, fast food places, etc.
3. Require banks to process all credit/debit card transactions in the order in which they occurred. It's wrong to collect four separate overdraft charges when only the fourth and final transaction put the account over its limit. Example: Jane uses her card to buy items worth \$5, \$10 and \$8 during the day, then buys \$30 of groceries on her way home. The \$40 puts her \$2 over her limit and she should be charged for it. But she should NOT have to pay overdrafts for the other 3 charges, which were incurred while she was still under her limit.
4. Banks must be required to give at least 30 days advance, written notice before lowering credit limits, and must inform the customer what that new limit will be. Banks must not lower credit limits below the amount currently being carried on the credit card, as this is a violation of their contract with the customer and a deliberate tactic to garner additional fees from those least able to afford them.
5. Banks must not increase interest rates based on credit actions or overdrafts on other accounts. A person's Visa interest rate shouldn't change, for example, because they're late with a car payment or went over limit on their Target card. A contract is a contract between just the two parties involved.

Thank you,

Morita Bruce
MD 21047