From: Duane Small

Subject: Electronic Fund Transfers

Comments:

I believe customers should have to opt-in actively to have overdraft protection fees applied. The default should be that an overdraft transaction cannot be executed, unless the customer has explicitly agreed to whatever fees are involved.

More importantly, whether automatically enrolled, failing to opt out, or actively opting into an overdraft protection program, customers should should have to agree to each overdraft transaction at the time of a transaction. If the customer will incur an overdraft fee, he or she should be able to cancel the transaction in question.

I recall that, shortly after I deposited money to my checking account, I withdrew $160 from an ATM. I had plenty of money in the account, but the recent deposit was still on hold, and only about $150 was "available." The overdraft protection in this case was to transfer money from my savings account to my checking account (the money in the savings account was not on hold), for which a fee of about $4.50 was imposed. Had I known there wasn''t enough available in the checking account, I could easily have (a) withdrawn from savings instead or (b) withdrawn only $140, and gone to the ATM again just a bit sooner. But I received no warning, just an unexpected fee on the withdrawal receipt.

That shouldn''t happen, even if I agree to an overdraft protection arrangement.

Duane Small