

From: Melinda Johnston, OK
Subject: Electronic Fund Transfers

Comments:

Board of Governors of Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Federal Reserve Board Director:

I support the proposed requirement that would require financial institutions to obtain consumers' affirmative consent (or opt-in) before any overdraft fees or charges may be imposed on consumers' accounts.

Banks should get explicit permission before enrolling customers in the most expensive overdraft system, automatically covering overdrafts and charging high fees, and should be stopped from using unfair practices to increase their overdraft fees.

Current banking practices prey on the lower classes. It starts a downward cycle that is difficult to recover from. You are \$10 overdrawn from three separate small banking transactions. You get socked with a \$105 fee. Now, instead of being in the hole \$10, you are in the hole \$115. You have to come up with the money to cover this \$115, so you go to a payday loan service. The payday loan service has an APR 485.45%. For a 14 day loan on \$115, you now have \$21.41 in fees. When you receive your paycheck, you have \$136.41 less to pay your bills and make ends meet. Thus starts the cycle.... It's wrong - and it has to stop!

Additionally, their policy of processing higher items first is just plain wrong. In the scenario above, the bank processed the smallest items last. If they had done things differently, there would have been one overdraft instead of three. Again - wrong.

The government needs to step in. The mortgage crisis happened right in front of your eyes. I saw it when my brother, who doesn't have a pot to expletive deleted..it and could never make regular payments, was given a mortgage. You turned a blind eye. You see this happening. It's clear and convincing. Step in and do something about it.

Sincerely,
Melinda Johnston
OK 74011