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Comments:

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Dear Sirs As a former employee of the retail banking system, I can attest that overdraft fees constitute a sizable income to each financial institution. Furthermore, this revenue is maximized by applying incoming payments from highest to lowest. This causes a higher number of overdrafts and secures the bank's income. The banks give an excuse for this saying that "studies have shown customers prefer this system as the incoming payments might be rent or mortgage". Well, two things about this. First, if there are any studies, few employees have ever seen them. Truthfully, I doubt these studies exist and, if so, their date is doubtful. Second, it may be true that an incoming payment is rent/mortgage/medical. But by applying payments from highest to lowest, the customer ends up in an even worse situation. It could very well be he/she has enough to cover the smaller payments and would be able to manage an overdraft fee for the higher one. However, since this is not done, the customer does end up overdrafted in all payments. What if this happens and the person is going through a financial crisis? Needless to say, a relief in the banking rules would apply to occasional overdrafts, not fraudulent activity or plain irresponsibility. Thank you for your attention.