

From: Mark Sullivan
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.

For too long banks have been able to add high fees to increase their profits at the expense of consumers.

I favor barring financial institutions from processing charges in a manner that increases the overdraft charges that customers accrue, for example by processing the highest charge first. Processing order should either be in date/time order or should at least be neutral in its affect on customer charges.

In addition electronic transfers such as ATM withdrawals should let customers know that a charge will exceed their balance prior to processing the charge. Software that provides a notice and requires a confirmation should not be difficult or onerous to implement.

In these difficult economic times we need to be even more vigilant in protecting consumers by preventing predatory or usurious behavior by financial institutions. If these are truly services that customers value, the institutions should readily be able to persuade customers to affirmatively sign up for those services.

Sincerely,

Mark Sullivan
MD