

From: Michael Finn, TX
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.

With so many families living paycheck-to-paycheck... my own included, automatic overdrafts create a dangerously steep slope from which to try and recover. When you add in the banks' standard practice of paying the highest-dollar-amount items first, it only exacerbates the problem -- the customer winds up with several low-dollar items "bouncing" and incurring fees. My wife and I once ran into this problem and had \$150 in fees in less than a 24-hour period, because of six small (less than \$10) transactions.

I would most support a requirement that got banks to warn customers at the point-of-sale if their transaction was going to result in a fee, and then it would allow the customer to decide whether to continue or cancel the transaction.

Failing this, I would like to see a requirement for "opt-in" before enrolling in overdraft programs.

Sincerely,
Michael Finn
TX 78133