

From: Edward Coakley, CT
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.

The use of overdraft charges by banks should be illegal. Attempts to overdraw an account should be denied, unless prior arrangements have been made. How is it permissible for a bank to lend me money without my consent or knowledge at an abusively high interest rate? Moreover (as in my case) do so without direct notification even after the fact? And even when the account overdrawn is one I had previously demanded to have closed?

I strongly support the adoption of an opt-in rule for such predatory loaning practices.

When SunTrust bank, instead of declining a recurring automatic bill for an electronic subscription decided to overdraw an account from which I had previously deliberately removed all funds and which I had previously asked to have closed instead overdrew the account and proceeded to charge me exorbitant fees without warning or even posterior notification, I believe they were committing a morally criminal act. Such a practice should absolutely be a legally criminal act. Needless to say I no longer have any accounts with SunTrust, provided they have finally closed the account mentioned.

Had I refused to pay this extortion, I would have faced damage to my credit rating, and/or the considerable inconvenience of litigation. I am sure my case is one of thousands or millions. Such practices are intolerable. Regulation of banks exists in large part precisely to prohibit ill intentioned extortionist practices such as these.

Sincerely,
Edward Coakley
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