

From: Cheryl Lawrence
Subject: Electronic Fund Transfers

Comments:

I feel that ATM and debit card overdrafts should not be allowed without the written consent of the cardholder. The consent form should be a separate document that is easy for the cardholder to understand and should state clearly what costs will result in the event of an overdraft.

As a consumer, I would opt out of this type of overdraft providing it was an option and I was made aware of the costs. My concern is that when opening an account it is the general practice of a bank to send home many sheets of papers and brochures, which include the terms of the account. The costs of the account are rarely explained to the consumer when the account is being opened and due to the complexity of the documents provided the papers and brochures are rarely reviewed by the consumer. In my opinion, when opening a bank account, a consumer should be provided with a disclosure similar to the Truth In Lending Disclosure that tells the customer exactly what to expect in a brief and simple format.

As a customer service representative, that processes payments from customers, I would not like to see ATM and debit card overdrafts allowed. Many customers use debit cards because they feel it is safe and they will not be allowed to spend more than they have in their account. If overdrafts are allowed, not only will the customer be charged a healthy overdraft fee by his bank but he will also be charged by the company to which the payment was returned. Example: Customer pays a \$30.00 partial payment on a cell phone bill and due to an overdraft he is charged \$25.00 by his bank and another \$25.00 by the cell phone company for the returned item. The customer has had to pay \$50.00 for a \$30.00 debit card transaction. Worse Example: Customer buys a \$4.50 sandwich at Wendy's for lunch and due to an overdraft he is charged \$25.00 by his bank and another \$25.00 by Wendy's for the charged back item. Wendy's of course will have a loss because they will not be able to collect the \$4.50 or the amounts they may be charged for the returned item by their bank. This is very unfair to the retailer.

Please consider the negative impacts on consumers and retailers and do not allow overdrafts for ATM withdrawals or debit card transactions without express, easily understood, written permission from the customer.

Thank you for your time.

Cheryl Lawrence
Consumer & Customer Service Representative