

From: Preble Law
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.

I have held accounts with no less than 4 banks since enrolling in college in 1999. It was not long after opening each account that I was on the phone with customer service about massive overdrafts and enormous fees. Repeated requests at each bank to turn off overdraft protection was met with heavy resistance and, at times, intimidation.

I was lied to; they said the computers could not unsubscribe me from overdraft protection. I was berated; all their other customers love the overdraft protection and I'd be stupid not to have it. I was pandered to; they would remove half of the accrued fees if I just shut up and left them alone.

But they would not let me opt out of the program. And they would not accept my express disagreement with the terms of use they were trying to shove down my throat. I quickly closed each account and moved to one of the other banks, only to get the same run-around, the same deep hole dug, the same highly profitable run through the wringer at each new bank.

These are "predatory lenders", plain and simple. In the last decade, I dealt with TD Banknorth, Key Bank, NationsBank, and Bank of America.

Finally, I simply purchased a "Green Dot" card from Wal*Mart, which amounts to a prepaid credit card. It's backed by GE Money Bank and if I run out of money on the card, my transaction is declined. I'm better at managing my money now than I was; I believe I've only had one transaction declined when a direct deposit took longer than expected to process.

The point is, with GE Money Bank, I am not forced to unconditionally "accept" a \$30 fee in order to buy a sandwich. I'd rather go hungry that day than see 3 days of lunch money go

up in smoke, and they respect my wishes enough to not force me into signing up for a "service" I don't want.

I find it utterly ridiculous that we accept banks behaving like money-changers in the temples. They rack up these fees AGAINST CONSUMERS EXPRESS WISHES, then threaten harsh legal pursuit to force us to pay. The only reason we owe the money is because the banks simply said so. The overdraft protection schemes are neither "optional" nor are they a "service". They are a scam, plain and simple.

It's time that the oversight community stepped in and told banks no. Give us the power to control our own money. Give us a chance to defend ourselves against corporate greed. There is no good or service on Earth that is so important to me that I am willing to pay an overdraft fee for it.

For that matter, I want banks to be forced to process transactions as they arrive from the vendor. I have been hit by their ability to reorder transactions (INCLUDING DEPOSITS) to THEIR benefit. This has cost me thousands in overdraft fees, because the order of transactions often matters a great deal and the banks can, will, and have reordered these transactions to MAXIMIZE fees. This is unfair, predatory, and also a mind-boggling, blatant theft. And it is already illegal under current laws, but again they have weasled out of these prosecutions by claiming it is a "service".

I can punch my neighbor in the face and burn down his house. That doesn't make it a "service".

In short, put an end to this behavior. Now.

Sincerely,
Preble Law