

From: Beth Paetzold
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 am astonished that the banking system has this sort of "Gotcha" practices and that the government allows it. I cannot understand the reason an electronic transaction should go through if there are insufficient funds to cover the cost. Example: You go into a store and don't have enough cash to buy your products - does the store automatically enroll you in an overdraft program and let you come back later when you do have the money - for a fee, of course? HECK NO!!!! Then why are we allowing the banking system to do this? We, as a country, have lived way beyond our credit means long enough and I feel the banks are the enablers of this. It is especially disturbing if the bank does not let you opt out of these services - this is the United States of America - we should have the choice to have this type of service on our accounts - it's our money. The banking system offers these products and "services" hoping you won't notice or are too embarrassed to contact them and complain so folks just sit back and pay the fees and the banks reap the rewards - our hard earned dollars. The only reason a bank would offer this "service" of overdraft protection is to take advantage of their customers and to earn extra dollars, especially if the bank enrolls you "as a courtesy" - now it's a totally different story if the consumer actually requests this type of service. If consumers were to be held accountable for their lack of funds perhaps the "embarrassment" of a declination would be more of a motivator to check your balance before you buy. The banks don't view us as customers, they see us as stupid cash cows! Now, it's time we stand up against these banks that use it's customers for additional "easy" income!

Sincerely,

Beth Paetzold