

From: Beverly Engelhardt
Subject: Electronic Fund Transfers

Comments:

Mar 29, 2009

Federal Reserve Board Email comments

Dear Email comments,

I have had several instances where my bank (Bank of America) has charged me overdraft fees. At one time there were four at \$36.00 each which happened about a month ago. It was late in the afternoon on Thursday around 5pm, I went to buy gas, the local Dollar General, grocery store and Subway. My paycheck was supposed to be direct deposited at midnight. I was aware of this, and thought the debits would be processed that night at the same time my deposit was to go in.

Well, I have since learned that when you use your debit card it hits your account immediately and is listed in a "pending charge" status. However Bank of America hits your account with an overdraft fee even on "pending status" charges. Additionally, my deposit didn't show as being credited until 10am the next morning. I asked the bank why wasn't the charges just denied and they told me that B.O.A. does this as a "courtesy" for their customers. I just told them it was an easy way to increase their profits and would just prefer them to decline the purchase as their system is not set up for "opting out". In addition they only refunded me one of the charges. I was furious!!!

I have since learned this is a common practice in the banking industry, and with the economic downturn, banks have implemented several strategies to increase this practice. The actual yield to banks reaches into millions in profits for the banks most times to those who are struggling financially and can ill afford these exorbitant fees. I would like to see some regulation passed to stop this practice and give consumers the option not to have this "courtesy".

Please allow me the chance to opt-in to overdraft services. This is the only way that I will truly feel protected.

Sincerely,

Ms. Beverly Engelhardt