

From: Paula Stevens, Sarasota, FL

Subject: Electronic Fund Transfers

Comments:

Jan 27, 2009

Federal Reserve Board Email comments

Dear Email comments,

A few months ago I had an instance of overdraft abuse that I simply could not believe happened!

First of all, let me say that I, essentially, live on the Social Security Death Benefits I receive from the death of my spouse. It is deposited automatically into my checking account each month on the 2nd Wednesday of the month, and has been for some 5 years.

I have a few companies that I do business with that give a discount if I should give them the opportunity to make their annual fees available to them by using a credit card or bank debit card. One such business I had discontinued doing business with and had so notified in writing. However, in their zeal to collect money, they claimed they did not receive my notification in time to stop the process. Apparently they required a month's notice in advance. I happened to find this out on the exact day...so they said... that they tendered my card to my bank. It happened that this occurred on the 10th of the month and my bank account was quite low. The very next day, however, they reversed the charge by issuing a credit.

My bank, however, seized upon the charge of the 10th and issued a \$39 overdraft fee against my account. That, in turn caused three additional checks to technically be overdrawn. Which, my bank then charged me \$39 for each check. A total charge to me of \$156!

Although I discovered what had been done on the 11th, and called my bank to explain that it was an error that the company had tried to "right" by reversing the charge, my bank said it was not their error and that I should speak to the company who instigated the problem to pay me back for the bank fees! My bank eventually showed me "largess" by writing off ONE of the \$39 fee charged. But I was still out money I clearly could not afford, because my bank automatically allowed a cascading string of overdrafts that were caused by their "courtesy overdraft coverage" rather than allowing me to opt-in to an overdraft service.

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

Sincerely,

Ms. Paula Stevens
Sarasota, FL 34238-2704

