

From: Corinne Austin, Hooksett, NH

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 have two college age children that have unwittingly incurred hundreds of dollars in overdraft fees using their debit card. The most egregious was \$455 in fees that my daughter incurred over a long weekend. She was out clubbing, using her debit card to buy her drinks at \$5 each. Over the course of the weekend, she was hit with 13 charges of \$35 each applied every time her card was swiped for the \$5 purchase. It never occurred to her that she was overdrawn because the card continued to process. She talked to the bank about it. They reimbursed her \$70 (2 charges). They sold her a credit card at over 24% interest and "only" a \$15 fee to advance from the credit card to her checking account plus interest! My son had a similar experience, although only \$180 in fees.

The bank knows these are student accounts, because they offer "free" checking accounts for students. Students (and likely the majority of adults) are not financially savvy and are easily taken advantage of by these usurious rates. If there isn't enough money in the account, the card should be denied. POS transactions can easily be stopped in their tracks.

As a former banker, I know that banks rely heavily on these penalty fees as a lucrative revenue stream. I find it laughable that regulators control interest rates that can be imposed, but these fees are far more harmful. Please stop them!

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.

Sincerely,
Corinne Austin
Hooksett, NH 03106