

From: Mr. Frank Daviso, Lindenwold, NJ

Subject: Electronic Fund Transfers

Comments:

Feb 24, 2009

Federal Reserve Board Email comments

Dear Email comments,

I am an employee on the front lines of a financial institution. Each day, I meet numerous individuals that are exploited by this unfair practice. Customers are losing hundreds of dollars or more a year because of this practice. The consumer needs to be better protected against overdraft charges. I have seen charges, at \$30 each offence, make a negative impact on consumer's financial wellbeing. Furthermore, these charges are disproportionate to the amount of money overdrawn. I have seen one customer suffer that \$30 charge for a \$2 transaction. Oftentimes, because certain transactions are preauthorized and held, the consumer cannot get their accurate balance when using an ATM.

Other times, because of the same hold, a customer incurs a double fee; if the original hold did not put them overdrawn but another transaction does, a charge is assessed both for the overdrawing transaction and when the held funds are released. Some institutions offer a line of credit as their overdraft policy, with an interest rate comparable to national averages. This is an amiable practice that does not overtly hurt the consumer. As it stands, overdraft policies exploit the consumer, are wholly incongruent with the protections under the Truth in Lending Act, and should be rectified soon before their financial impact on the consumer worsens.

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

Sincerely,

Mr. Frank Daviso
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