

From: Rockwell Collins, Nicholas Roy

Subject: Electronic Fund Transfers

Comments:

Overdraft fees, in particular, the way banks are allowed to calculate and impose them, hurt consumers. There has been a trend in many industries toward increasingly expensive and elaborate fees. I do not have hard scientific evidence to support these points, only my personal experience, however I believe they are relevant:

1. More expensive items will be posted first. Overdraft fees will be applied to all the transactions regardless of the actual chronological order.
2. Unless you try to remedy an overdraft immediately by making a deposit before the daily deposit cutoff. In this case, the overdraft still applies.
3. The full fee is imposed regardless of the transaction amount. The fee does not represent actual harm to the bank. It is a profit center.
4. Banks will manipulate the date transactions cease pending and post them in such a way as to generate more fees.

You must put an end to this unfair practice. Overdraft fees should be grounded in reality. One mistake should equal one fee, no more. I urge you to make overdraft fees opt-in rather than opt-out.

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