

From: Emily Dryfoos <emilyebarrett@hotmail.com> on 07/17/2008 02:55:10 PM

Subject: Regulation DD

Dear Federal Reserve Board:

I am writing to voice my concerns/opinion about overdraft fees from banks and the ideas proposed to help consumers not be abused by rules designed to profit most from debit/credit card charges, specifically from Bank of America. I have recently suffered a slew of fees as a result of an overdraft scenario BOA intentionally created for the sheer purpose of generating profit. The transaction was strategically retroactively imposed on my account at a date when funds to cover the transaction were not available, thus manipulating my account into overdraft. At no time during which I was assessed these fees did my account reflect the actual available balance, which should have included the presumed advance in funds that the overdraft scenario implies. On the contrary, I received a notice of "overdraft fees" against a positive balance! This practice must be stopped. Institutions should be required to provide accurate balance information, including any monies that have been advanced to cover purchases, pending or implied, AT ALL TIMES. This is crisis, a direct result of earlier banking industry deregulation that has permitted banks (mortgage companies and the entire credit industry, alike) to unscrupulously rob people of their money, saddling individual Americans with more debt, oftentimes more than they are capable of repaying. This is compounded when lenders like BOA are given free reign to increase interest rates on existing debt and to impose fees that make it nearly impossible for those already in over their heads to return to solvency. At a minimum, if given the choice to opt-in to overdraft loans, hard working Americans would have the option to "dodge the bullet" from all of these fees. It would certainly be more palatable to have a purchase denied at the point of sale than discover that the \$5 spent at Starbucks turned into \$35 in overdraft fees on top of that! If a transaction were denied, one would at least have the opportunity to make the best choice about his or her finances -- whether that be using cash, an alternate form of payment, or canceling the purchase.

Additionally, I agree with the following amendments:

- Give consumers the choice to opt-in to an overdraft loan program.
- Require the banks to give the consumer a choice before charging a fee.
- Close the loophole that lets banks make cash advances to consumers without providing truth-in-lending protections and cost disclosures.
- Require that overdraft loan costs be disclosed under open-end credit rules.
- Require banks to get consumers' affirmative consent before extending overdraft loans.
- Ban overdraft fees on debit holds. Please go one step further and ban overdraft fees when the funds are in the account but haven't cleared yet.
- Ban the practice banks and credit unions have of withdrawing the largest checks first. It is unfair to manipulate the order in which debits are processed to maximize fee revenue while routinely covering overdrafts and charging big fees when they do. It is deceptive for banks to claim that automatic "bounce protection" is discretionary while also representing that consumers can expect the bank to cover overdrafts or while permitting consumers to overdraw at the ATM, POS or through preauthorized debits.
- Require financial institutions to provide full disclosure of checking account fee revenue for insufficient funds and for overdrafts.

Thank you for your consideration.