

From: Jeffrey Smigelski, OH
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 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.

I am a graduate student in school. Since my income is already tight, I was surprised when I received a total of \$152 in overdraft fees for charges totaling less than \$20.00. One \$38.00 charge for each transaction that resulted in an overdraft and an additional \$38.00 charge for each day that the account was overdrafted.

I was not aware that my university failed to deposit my paycheck on time due to a holiday. As a result, I placed \$10 on my university card to purchase food in the cafeteria. I had tacos. I was not aware then that I was also charged \$38.00 by my bank in an overdraft. Later, I also bought some household item on the way home, it may have been a package of toilet paper, and was charged an additional \$38.00 overdraft. (It wasn't even the quilted kind!) I also had purchased a beverage at McDonald's and was charged another \$38.00 by my bank in overdraft fees. The whole time I made purchases, I receive no indication that something was wrong with my account, i.e., No denial of card, no emails from the bank, no telephone call from customer service.

I checked my bank account the following morning and was surprised to find 4 total overdraft fees...one for each transaction and another for the fact that my account was overdrafted overnight (when the bank was closed!). I contacted customer service and they took off the overnight charge but I still had to pay \$114 in overdraft fees to the bank for items that cost a total of less than \$20.00.

Furthermore, the very fact that my bank still allowed me to charge on my account without denying my debit card gave me no indication that something was wrong with my account. I received my late paycheck and was able to take care of the overdrafts but overall, was disappointed with the process. Especially since I did not enjoy \$114 dollars worth of tacos, toilet paper, and

soft drinks, I feel that the bank took advantage of my situation with a late paycheck from my employer.

Sincerely,
Jeffrey Smigelski
OH 45410