

From: Margaret Cliver, San Francisco, CA
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.

Dear Board of Governors

I can see why people get heated about some bank charges, but in my opinion the Courtesy Pay arrangement for overdrafts actually is a HUGE BENEFIT to consumers. Although very careful, I have once in a great while issued a check with insufficient funds and would greatly prefer ONLY to have the bank in on the problem, vs. also having the payee not get their money - that would cost me TWICE as much, plus perhaps a ding on my credit rating.

I WOULD like to see those Courtesy Pay fees REDUCED, likewise NSF fees reduced.

I would also like to see something whereby the customer did not get charged for more than 1 fee on any given day - usually multiple charges come up when the bank pays the largest check that day first and if that puts the account in NSF status then there is a full charge for every remaining check paid that day. THIS can get really expensive, and can cause great harm to the consumer if, say, there are 5-6 charges at \$35 each = \$175-210 in ONE DAY. I think there should be only one charge per day, and besides a snailmail letter to the consumer there should be an URGENT (but also non-intimidating) message via email or phone to the consumer so they have a chance to fix it.

I DO agree that the options need to be better explained to new customers - the current system usually involves handing over a leaflet thick with small print and multiple layers of sub-paragraphs basically designed to cover the legal you-know-what instead of designed to get the information through to the consumer. Such an approach, coupled with the above 1-a-day-only fee limit, might head off swarms of complaints such as the ones being sent to you via this organization.

As a consumer, I'd be pleased to be in on a redesign, if useful.

Thank you.

Sincerely,
Margaret Cliver
San Francisco, CA 94110