

From: D. Bookmahn, Burke, VA
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:

The problem is NOT the overdraft accounts in themselves since they do avoid RETURNED checks and more fees.

The problem is the HIGH (usury level) FEES they charge (as much as \$39 for what could be a \$1.00 overdraft check) and the order in which they count the checks (highest amount first) which leads to significantly more overdrafts.

TWO THINGS TO CORRECT THIS:

1. Limit the overdraft charges to \$20 or 10% of the overdraft - whichever is LOWER.
2. Require the banks to calculate from the lowest to the highest.
3. Additionally, some banks are charging an additional \$7-\$10 charge (in addition to interest) when an overdraft account is used. That should not be allowed.

Sincerely,

D Bookmahn
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