

From: Stephen Payne  
Subject: Electronic Fund Transfers

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Comments:

For transactions, I think that at the VERY least you should have the option of Opting Out of an overdraft protection program. Even if that means that when you opt out all transactions that cannot be covered will be denied. The opting in option is preferable, and being able to choose which items would be allowed to commit an overdraw is preferable

The ability to over draw an account at an ATM is ridiculous. If they know if it would result in an overdraft, then they should be required to inform you that there will be an additional "fee" or expense for the transaction. Similar to an ATM must tell you if there is a fee for using the ATM, and give you the opportunity to cancel the transaction. In my opinion this overdraft charge is nothing less than a hidden fee.

For the processing of withdraws, I VERY MUCH disapprove of the practice of clearing the largest debts first. If they are going to cover all of the debits any way, then the sole purpose is to charge more overdraft fees. If they are not going to cover all of the debits, then it affects fewer entities as the number of people shorted would be reduced. Additionally it would be far easier to tell when there was a transaction that did not clear, and what that transaction was.

In summary the fact that the banks can charge fees that cannot be opted out of and then act to maximize those fees is a predatory process that leads to a downward spiral in many cases leading to hundreds if not thousands of dollars lost to the consumer. This is an area that greatly needs additional regulation.

Stephen Payne