

From: Ted McLaughlin, MN  
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.

To whom it may concern;

For 16 years I have been a Wells Fargo customer. For most of that time I have had an \$5,000 line of credit, and if for some reason I had an over draft on my checking account then that amount would be automatically transferred from my LOC to checking account, with no fee.

A couple months ago I went over my limit by less than \$1. Wells Fargo transferred the money to my checking account and charged me \$30 for the "service". When I called to complain I was told that they had notified me of the change in terms in a letter a couple months earlier.

Honestly, who reads those notices??? Even if you are a lawyer trying to find the real changes buried in countless pages of legalese would be impossible.

Then to make it worse, I have a separate debit card that I set up to only use for online purchases. It comes out of a special account, and if I want to buy something off of ebay, I go into my wells fargo regular account, and transfer exactly that amount of money into my account. That way in case my account is stolen, it limits my financial exposure.

Well I purchased something from an online vendor, and they made a mistake in the shipping and charged me for next day air shipping (which was much more expensive than I was expecting), so the money I had transferred into my account wasn't enough. Rather than just denying the purchase, Wells Fargo paid it and charged me \$30! They refused to refund it, and the online vendor only would refund the difference between the shipping costs, they said they weren't responsible for Wells Fargo's fees.

I complained to the bank that since my line of credit wasn't tied to this account, that I didn't think they should let a purchase like this go through. They said that there was no way for me to opt out of this "service", and that I was stuck with the charges.

There NEEDS to be some way for customers to opt out of things like this. It's not enough to tell people that if they don't like it they can just go to a different bank. That's not realistic when you look at how many things are tied to bank accounts these days. In fact I'm quite sure that's why banks know they can get away with it, because they do know how much is tied to your account, and how hard it would be to switch banks.

Sincerely,  
Ted McLaughlin