

From: Nikesh Amin
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.

Many consumers, including myself, are ignorant to the practice of overdrafting until it is too late and they see exorbitant fees charged on their next statement. Most of us believe that if we do not possess the necessary funds, that a bank will simply deny our purchase, especially if it comes from a debit card.

The crime of the bank is three-fold. First, they do not explain, in the slightest, their overdraft policies and costs. Second, the costs associated with overdraft protection can be higher than any other form of loan. I once had a \$38 overdraft charge on a \$2 purchase. Finally, after you discover the foul business practices of the bank, they do not even allow you to opt out of the scheme in the hopes that you will, once again, find your self spending money that is not in that account, but may be in another account at the same bank, and they can make another easy couple hundred dollars.

In light of these reasons, I implore you to pass this measure and help protect the American consumer.

Sincerely,
Nikesh Amin