

From: Jeri Burdett  
Subject: Electronic Fund Transfers

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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.

The most infuriating practice is when several items are presented at once, and the bank pays the largest item first. This creates a domino effect, and whereas if the smaller items were paid first, there may be one overdraft--and one overdraft fee for the bank. However, by paying the largest item first and insuring that there are insufficient funds for the smaller items, the bank gets to rack up several overdraft fees instead. And then they claim that this is for our benefit, that most customers prefer it that way. I don't believe it.

I have one bank that has limited branches and hours, and there is no way to make a deposit through the ATM. This bank charges an overdraft fee, plus \$5 more per day that the account is overdrawn. Due to the locations and the difficulty in getting there when the bank is open, it can easily take a week to make a deposit to cover the overdraft, while the amount owed steadily climbs. Customers definitely should opt in to such a program, rather than being automatically enrolled and having to opt out. I personally incurred nearly \$100 in charges when this happened to me, without ever realizing such an arrangement was in place until it was too late.

Sincerely,  
Jeri Burdett