

From: Jeremy De Peters
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.

Dear Govenors of the Fed,

I am writing to tell you about the terrible abuses of all banks in response to overdraft fees. Banks should have the right to charge a fee for paying a debit on the account when the customer does not have enough money in their account to cover the transaction however a number of issues arise, which clearly illustrate how many banks take advantage of their customers.

1.) The average fee of \$27.00 (WSJ Article - March 26th) is entirely too high. These fees should be capped at \$5.00 or less. The idea that you can overdraft an account for a \$10.00 charge and then have to pay over \$30.00 in fees is absurd. The banks are not just covering the capital and costs they are extorting money from their customers to make up for losses in other portfolios.

2.) The bank gives you no warning that you are about to overdraw your account and if they argue that they don't have the technology they are lying or too cheap and lazy to protect customers.

3.) Banks should not automatically enroll customers in overdraft programs, you should have to opt in.

4.) Banks should not be able to charge an overdraft fee on each transaction that happens on any particular day, one small fee should be sufficient to cover their output of capital and a small profit for what is essentially a very short term loan. When you have to pay \$39.00 for a \$5.00 overdraft and you pay that within one week you are effectively paying 780% interest!

5.) The Fed should reinstitute usury laws to prevent banks from grossly ripping off customers who can ill afford to pay absurd

fees especially in light of the fact that they are all now partially owned by the US Government.

Maybe if Ken Lewis and his cronies stop paying themselves insane amounts of compensation for non-performance the banks wouldn't have to rip off innocent tax payers!

Sincerely,

Jeremy De Peters