

From: Jared W Lynem
Subject: Electronic Fund Transfers

Comments:

I am requesting that you please allow overdraft processing to be an opt-in account option, instead of opt-out.

Because of my previous bank's largest-to-smallest overdraft policy, I once earned \$200 in fees for less than \$10 worth of purchases. When I asked why this was their policy, the customer service representative said that it was to ensure that larger, presumably important payments were processed first. Yet to his knowledge there were no limits on how much I could overdraft in a single day, or how many overdraft transactions were allowed (thus, if processed in order any important payment would be made anyway). I then asked why funds were not withdrawn from a linked savings account, which had enough money to cover the negative charges. He said that was because I had not explicitly told them to do so. Of course, I was never asked if that was what I wanted, and had I done so I still would have incurred some transfer fee in an amount I cannot recall.

Clearly overdraft protection can be a useful convenience, but when it can be thus made so inconvenient it makes sense as an opt-in policy, with a clear list of processing policies, limits, and fees presented up front. My story is not at all unique, and was the result of a very brief lapse in responsibility (I accidentally paid a car loan twice in the same month).

Thank you,
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Jared Lynem