

From: Angela Schwalbe, Chaska, MN

Subject: Electronic Fund Transfers

Comments:

Feb 19, 2009

Federal Reserve Board Email comments

Dear Email comments,

I don't think that banks shouldn't be compensated for covering your overdraft, as it is technically a loan, however it would make more sense for the banks to charge a percentage rate and to warn you that if you choose to withdraw that amount of money, you will create an overdraft. An example of this would be; If you make a purchase such as using your card to check into a hotel, they tie up the cost of your stay plus an additional amount to cover the cost of incidentals (as much as an additional 20% over the cost of the stay). Therefore even though you didn't spend the additional funds, they aren't available and therefore even though you may think that you have enough funds in your account, technically you don't and therefore you get an overdraft fee for funds that you have but weren't available because they were "tied" up. Therefore you were charged for a honest mistake or maybe being misinformed as to the banking system and access to your account.

Please allow me the chance to opt-in to overdraft services. This is the only way that I will truly feel protected.

Sincerely,

Mrs. Angela Schwalbe
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