

From: James Raphael, San Jose, CA

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.

Recently, many large financial institutions have clearly proven by their predatory lending practices & bundling of mortgage backed securities for sale to investors, that they have little interest in protecting their customers. I work with clients who have fixed, limited incomes. Many frequently get charged exorbitant penalty fees for ATM or credit card overdrafts. President Obama has sent out a clear message, that business as usual in the financial markets is over. One way of ensuring financial safety for low income individuals is to require institutions to fully disclose the potential costs of overdrafts to customers & allow them to opt in rather than to permit banks to place the burden of opting out on the customer.

Sincerely,

James Raphael
San Jose, CA, CA 95113