
From: libya doman [mailto:libyad@hotmail.com]
Sent: Sunday, August 22, 2010 8:35 AM
To: Overdraft Comments
Subject: Overdraft guidelines

Hello:

I am writing to comment on the proposed guidelines for banking Overdraft Protection.

I believe the following: 1) "Overdraft Protection" as a name should be changed to "Overdraft Fees." 2) In simple language (and in large bold font), clients should be made aware that the overdraft fees that banks charge are completely in the financial favor of the banking institution. 3) Every client should have to opt-in instead of opting-out (as is current practice). In addition, banks should not be able to automatically change the terms set by the client without the written consent of the client.

1) In general, I see most banks Overdraft Protection programs to be harsh financial punishments for people who can afford these fees the least. I've never understood "Overdraft Protection" as any form of "protection" but a boldly successful means of banks to collect high fees from their most vulnerable clients.

2) The idea that bank employees would have the responsibility to discourage clients from using Overdraft Protection is naive at best. A simple calculation of the smallest overage amount plus the \$30-\$40 most banks will charge should help make the point. For instance, state, If the client goes over their balance by .10, the client will owe the bank .10 (the overage amount) + \$39 (the Bank's Overdraft Fee). For every purchase that you go over, an additional \$39 Overdraft Fee will be charged.

3) I recently received a [*Name of Financial Institution*] check card (although I usually stick to my trustworthy credit union). I returned from a summer trip abroad to find that [*Name of Financial Institution*] had changed my account terms to include Overdraft Protection...despite the fact that I had deliberately opted out in June 2010. I was not asked if I wanted this protection. They did not require my approval before making this change in July 2010. Although I did not need to use their "Overdraft Protection," it is my intention to close this account because I find [*Name of Financial Institution*]'s practices to be predatory. Unfortunately, these practices are banking industry standards.

I sincerely hope that my voice counts when considering banking guidelines.

Sincerely,
Libya Doman