

From: Patrick King [pking11@gmail.com]  
To: Overdraft Comments  
Sent: Sat 8/28/2010 1:32 PM  
Subject: Proposed Overdraft Guideline Comments

Thank you for the opportunity to provide feedback, below are my comments;

Item 1: **Banks Processing Checks in Order of Amount** - the only benefit here is for the banks to increase their fees by causing a domino effect of cascading overdrawn checks. Financial institutions (all of them) should post payments when they are received. Whether it's my bank or mortgage servicer. These institutions should not be allowed to clear checks based on the dollar amount nor should they be allowed to hold my mortgage payment in their account to collect the 'float' before posting/deducting my payment from my account. Banks should not. It's ironic that I've had to keep an eye on my mortgage payments, have been susceptible to being "held" by my mortgage servicer so they can collect the float. Regardless of whether the payment is via check draft or electronically processed, they should be fully processed upon receipt date, not dollar amount.

Item 2: **Banks Monitoring Overdraft Programs:** I like this concept of banks flagging habitual offenders but feel safeguards would be needed to prevent banks from using this information either to profit internally thru new or existing consumer counselor scams or brokering this information to a subsidiary or external agent for profiteering. Who Banks do the monitoring or have an outside firm handle this? Who would have access to the information? Who would maintain the record keeping?

Item 3: **Imposing Appropriate Daily Limits on Overdrafts:** Yes, please pursue either limiting the # of transactions subjected to fees or impose a dollar limit on the total amount that may be imposed (daily with some type of cap perhaps).

Item 4: **Should Banks Provide Information to Habitual Overdraft Users About Free/Low-Cost Educational Tools:** Yes, please have them provide a best-of-breed of consumer financial literacy information. Between the FDIC, SEC, FTC, Treasury and banks/financial institutions themselves there is a plethora of free information available. Please also include/call out information on debt counseling scams provided by these same entity's.

Any and all efforts to ensure that banks/financial institutions terms & conditions are transparent ... and in layman's terms that is easy to find and read!

Thx, Patrick King