

From: Pamela Farris
Subject: Electronic Fund Transfers

Comments:

This overdraft protection scam has happened to my college-age daughter twice in the past year, with Citizens Bank.

The first time, the Citizens Bank 1-800 Customer Service # offered no assistance and told her there was nothing they could do. A visit to our local branch manager was more informative. He explained the customer service program she was automatically enrolled in allowed her to use her card "in an emergency" even if she did not have the funds to cover the charges. I explained to the bank manager that this program reeked of fraud to me, the fees were excessive, and in the event of an emergency my college student would be calling 911 or her mother for assistance. NOT Citizens Bank! We had to request they "take off" the customer service credit option. He stated this would allow her ATM / Debit card to be denied for insufficient funds if she tried to use her card without enough funds in her checking account. He then offered to credit 3 of the fees attached to her account. He stated this was the maximum amount he was authorized to adjust for a customer per year. Although, he was much more helpful than the Customer Service Center, I feel this was due in part because he knew my daughter through several years of her banking there AND because she had an adult advocating for her.

Over a year later it happened again. The bank allowed several POS charges to go through and then charged her over \$200.00 in fees before she caught on several days later. Again, when she called Citizens Bank Customer Service 800 #, they would not advise her or reinstate any of her money. Her account was in the negative at the point of her call. Her entire week's paycheck had just been automatically deposited and paid out to Citizens Bank in fees. As a full-time college student, working part-time, paying rent, this completely depleted her funds for the month. When she went to a local bank manager for information and assistance, he refused to advocate for her. His information on what happened to her account consisted of "You spent too much money".

I went to the local Citizens Bank branch (she is in college in CT, our home is in MA) for an explanation. He said the POS charges are not being posted immediately and/or they are being processed as a credit charge, not a debit card which is why they went through even with insufficient funds.

This was not how my daughter thought she made the purchases. She used her PIN # to process a POS purchase EXCEPT for a fast food purchase made at a drive-thru. They did not ask her for a signature, so she thought it was an ATM/debit card purchase. I believe it was this unintentional credit purchase that posted to her account 12 hrs later, that put her on this banking road to hell. The next day, when she checked her ATM balance, she had enough funds to purchase a bottle of water POS which then created insufficient funds in her account for the Fast Food charge when it hit later that day.

The local bank manager said the bank had a "new policy" which would not allow him to credit her account or make any adjustments. He had to request any adjustment through "Corporate". However, he could write an email to his district manager on her behalf in hopes of reducing at least part of the fees. After my daughter's experiences with Citizens Bank Customer Service, I

hold little faith she will recoup any of her money. After I collected cash from family and friends, I deposited \$150.00 into her account, her available credit balance was \$71.00. Apparently, from the time I last spoke with my daughter in the evening until the next morning when I met with the manager, another fee had hit her account.

Within one week Citizens Bank made a profit of \$195.00 in overdraft fees from a 20 something college kid who's average account balance is 125.00/week. Almost all of which goes to her rent, utilities and food every month. All because she unintentionally purchased a happy meal for \$3.99 with the credit card option of her ATM/Debit Card causing a delayed accounting to her checking account which allowed her to spend \$1.25 on a bottle of water even though she only had \$1.05 in the account which finally caused one overdraft after another on her card and god knows what damage to her credit standing.

At this point is worthwhile to point out that I DO NOT bank with Citizens or any other "national" bank chain. At my local community bank, charges for a returned check or overdraw fee are \$29.00. No charge checking, FDIC insured, on-line accounting and bill paying and REAL customer service. They are always available to discuss and explain banking policies. If you feel you have been the victim of a misunderstanding, they will usually reduce the fee involved if not remove it completely. They are a bank that provides conservative loans and investments within the local community and they have NOT requested any bail-out money during the recent economic turmoil.

So why can't our so called national bank chains provide the same service and customer care? Guess it's all about the money, no matter where or who they get it from.

This system is just plain WRONG, DECEITFUL, FRAUDULENT, and indicative of the need for financial reform system wide.

Sincerely,
Pamela Farris