

From: Gina Jeans  
Subject: Electronic Fund Transfers

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Comments:

March 30, 2009

To the Federal Reserve

I am writing in hopes that changes can be made within financial institutions to stop them from taking advantage of people's financial problems. While I have heard so many horror stories from my friends, these are the items that personally are affecting me right now.

(My husband and I are in a situation where we need every dollar to go towards our bills.)

- 1) Interest rates on credit cards!!! I pay very well, on time every month, but yes, I am human, and have been late with a payment. It is next to impossible to pay down a card when the interest rate is 29%. How are people supposed to pay this? The prime rate is next to nothing, why can credit card companies charge these usury rates?
- 2) Bank sorting checks from highest to lowest when clearing the bank. Why are they allowed to manipulate cancelled checks to incur higher overdraft fees from their customers?
- 3) Overdraft fees of \$37.50. I find it hard to believe that it costs the bank anywhere near \$37.50 to cover a \$6.00 overdraft for one day. I think banks should charge you when you overdraw your account, however, it should be a reasonable fee. To us, \$37.50 is our dinner for the week.
- 4) I don't know what you call this, but my bank has instituted a practice where when I use my debit card, the money is considered gone from my account when authorized, NOT when the money actually comes out of my account a day or two later. However, my deposits, as usual are not credited until they actually (or I suspect, after they) receive the money. Why am I paying for an overdraft on money that they did not even pay out? This has happened in a case where my deposit was credited to me before and in my account before the charge from my debit account was processed and paid to the vendor.. however, I was still charged an overdraft fee.

I know that bank practices are causing me undue hardships. Yes, I could keep enough money in my account to insure that any errors I make won't cost me, and some day, maybe I will be at this income level. But the reality is, I just don't have the money to put a cushion in my account.

I hope you will be able to enact some changes that will ensure banking practices are fair to both the bank and the consumer.

Sincerely,

Gina Jeans