

From: Paul E. Frampton, WV
Subject: Electronic Fund Transfers

Comments:

Date: Mar 27, 2009

Proposal: Regulation E - Electronic Fund Transfers
Document ID: R-1343
Document Version: 1
Release Date: 12/18/2008
Name: Paul E Frampton
Affiliation:
Category of Affiliation:
Address:
City:
State: WV
Country: UNITED STATES
Zip: 25302
PostalCode:

Comments:

One of the areas in which the banks are hoodwinking their customers is on credit cards provided to college students. My son obtained a credit card as a college student with a relatively low limit. The bank included the overdraft protection and charged him, I believe, about \$50/month for the service. He had about \$2,000 charged on the card and was making monthly payments of about \$50 or a little more and could not figure out why he was not able to get ahead. When we looked into it, we discovered this overdraft protection fee. They were essentially charging him \$600 a year for overdraft protection on a \$2,000 debt. Obviously, college students have no or very little understanding about what the banks are doing to them and my son was no exception. When my wife and I discovered this, we were appalled and felt very much like my son had been robbed all those months. If the federal regulations are there to protect consumers, they are certainly failing miserably when it comes to overdraft protection fees. A \$50/month fee on a \$2,000 credit card is absurd.