

From: Sandra Bisbey, MA  
Subject: Electronic Fund Transfers

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Comments:

I just lost \$310 for six overdrafts through my bank card. All of the expenditures were under \$20, and I was not alerted that funds were not available. I did not request overdraft protection and technically, according to my banking agreement, I do not have it-- but the bank allows these charges to go through anyway.

I don't know why Congress makes such a fuss about payday loans, and then allows banks to "front" money in this way; these charges are nothing more than loan fees, and they are highly usurious: when my bank allows a 5.00 overdraft and the bank charges me \$35.00, I call that 700% interest. (Actually, it's a great deal more if it's annualized, because of course the bank is usually repaid within a few days.)

On a final note: Whether a bank pays an overdraft or doesn't, \$35 is far more than it actually costs the bank to process or deny the transaction. These costs have gotten seriously out of line.

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