

From: James Kauffman, Sparta, NJ

Subject: Electronic Fund Transfers

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Comments:

Jan 27, 2009

Federal Reserve Board Email comments

Dear Email comments,

Definition Time:

If "interest" produces an obligation to pay an unconscionable or exorbitant AMOUNT of interest, then interest is usurious -- and therefore is indifferent from usury, despite the ostensible legitimacy of legality.

These ever increasing overdraft fees are injurious to those you have

sworn on oath to serve. For example, I just reviewed the fine print of my home depot card. They want to charge a variable late fee that when

a balance due is due in the \$1-\$99 range will result in a \$35 late fee. Let me see!!! I owe \$1, I'm late to paying because I was on vacation, I decided to pay my mortgage or I decided to pay my property taxes and I'm going to pay Home Depot out of my next paycheck. I'm going to suck up the already exorbitant interest rates of 23% on the unpaid balance, which goes up to 29% if in default. So let's do the math shall we.

So, the \$1 that I owe them for let's say 40 days (10 days late) is  $40 \times .000795$  (29% interest) =  $.03 \times \$1 = .03$  cents. So from the Interest alone, I now owe them,  $1\$ + .03$  or \$1.03. Now let's tack on the \$35

late fee and presto chango, I owe \$36.03, all from a \$1 debt. That's a 432 fold or 43,200% increase from the \$1 I owed them. Can we say USURY. You've got to put a stop to this!!!

Please allow me the chance to opt-in to overdraft services. This is the only way that I will truly feel protected.

Sincerely,

Mr. James Kauffman  
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