

How To Reclaim Unwarranted Bank Charges

Banks have a long history of taking unsavoury actions against their customers. They punish the very people to whom they should be most loyal. For example, an overdraft can result in a huge £40 penalty (usurious by most standards). As banks publicly promote their willingness to sacrifice their bottom line for the customers' benefit, they continue to levy unfair charges against those same customers. If you've been the helpless victim of large overdraft fees or penalties for overspending on your credit cards, there is a way to reclaim those unfair bank charges. **Knowing Your Rights** By law, a bank can charge a fee for what is considered a "breach of contract." However, what most consumers don't realize is that the law states that the penalties assessed by the banks can only reflect the amount of loss incurred by the bank as a result of the breach. The penalty cannot exceed that amount. That is, a bank cannot profit from the charges assessed. By bringing this clause to light, thousands of people have been able to reclaim the unfair fees charged by their banks. An interesting note is that the banks have refused to allow these claims to see the inside of a court. Most experts speculate that banks do not want a precedent established that would force them to reverse years of unfair fees. **Steps To Reclaim The Charges** First, you need to acquire all of your bank statements for the past 6 years. That is the maximum number of years for which claims against unfair bank charges can be filed. Send a letter to your bank requesting that they reverse any overdraft charges. Mention the clause in the law that details your rights and the bank's limitations. If your bank expresses a willingness to reverse a portion of the charges, refuse. Respond by demanding a complete reversal of all bank charges. If your demand isn't fulfilled, file your claim at www.moneyclaim.gov.uk. **Can Justice Prevail?** As the Financial Services Authority (FSA) struggles to work with the banks to resolve the issue of unfair charges, the Office of Fair Trading has introduced a test case to the High Court. Recently, the High Court issued a verdict seeming to uphold the unfair charges. But, as with most cases, the details of the ruling require analysis. The details may yet hold some hope of justice for bank customers. Until then, this issue remains unresolved.

About the Author

Written on Behalf of [Renaissance Easiest Claim](#)

Source: <http://www.article-zine.com>