

The Virgin Islands Consortium

Firstbank Losing Customers As Residents Protest Account Maintenance Hike

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ST. CROIX -- Residents have complained to The Consortium of a recent account maintenance hike established by Firstbank that they deem as irresponsible and inconsiderate at a time when the economic condition here hasn't improved.

The hike, for an individual checking account, sees Firstbank deducting \$7.50 monthly from account holders who cannot maintain a balance of over \$1,000. The prior deduction was \$5.00, however in a recent letter addressed to its customers, the bank, headquartered in Puerto Rico, said the increase was "found to be necessary as a result of the increasing costs associated with doing business."

Some residents have been closing their accounts in protest of the hike, according to a Firstbank source who requested anonymity because no authorization was given to speak on the matter. And some bank employees here were surprised by the move when it was first revealed to them by upper management.

The changes, according to the letter sent to customers, will take effect on November 1, 2015.

Aside from the checking account maintenance increase, the following services also saw hikes in rates and fees, according to the letter:

- Monthly maintenance fee for individual convenience account: \$5
- Wire/Cable transfer fee: \$15
- Monthly maintenance fee for an individual statement savings account: \$5

But the reaction from Firstbank customers here are not unique to the Virgin Islands. In fall of 2011, Bank of America was shouted down by angry customers when it tried to impose a \$5 monthly fee for using a debit card. JPMorgan Chase and Wells Fargo backed off similar plans to impose their own fees, according to the Huffington Post.

Banking institutions say the increases are a way of keeping their own bottom line in the black, as the economic climate in the territory not only affects residents, but also business institutions.

It remains to be seen whether the bank will reconsider the increases or stay the course.