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Some Ancient and Current Loan Shark Techniques that Credit-Card issuers kinda sorta utilize: Apply higher interest rates on debtor loans with little warning. The highest default APR — 35% — is now offered by Merrick Bank, a Utah-based issuer that serves more than 555,000 cardholders. Runners up were Citibank (C: 18.85, -0.21, -1.10%), Bank of America (BAC: 29.58, -1.06, -3.45%) and Provident Financial (PVN), with 29.99%. No debtor rights to prepay on higher interest amounts first, then lower interest amounts. Debtor has no choice in designating his money to pay on high or low interest amounts within same account. Debtor has no arbitration rights. Credit card company selects the arbitrator and 100% award to the credit card company. Credit card companies charge interest on fees. That is double jeopardy. Two-cycle billing is double compound interest and used to be illegal. Still should be. (Look up definition of two-cycle billing on the web.) All credit cards initially billed every 25-26 days. Every 20 days is now standard bill time for 95% of credit cards. Now think about how that compounds itself with two-cycle billing. Just as loan sharks make the payment due earlier and earlier. And guess what, the country goes further in debt. The “universal default” when a credit-card issuer

raises interest rate based on a consumer's late payment(s) to other unrelated creditors, it must end. How sick is the "universal default" policy. That is the old "should have, could have, would have" loan shark slight of hand trick. How dare they play judge and jury on other accounts with other companies. Are credit-card issuers and banks the supreme court, a judge, a lawyer? They are out of line and only able to do this because of access to computer data bases. Today, 45% of credit-card providers engage in this practice, according to Consumer Action With Americans carrying more credit cards in their wallets, it's normal that they use only a few of them while keeping the rest for emergencies. Now, some banks are trying to make money from those customers as well. How? They increase their interest rates, consumers make charges and they pay more in interest. "Most people don't realize it until they start charging," says Robert Manning, author of "Credit Card Nation." People have seen their interest rates double, not because they were late, but just as a punitive charge for the bank trying to reduce its costs." According to the 2005 Credit Card Survey, by Consumer Action, a San Francisco-based advocacy group, some of the new tricks are the most aggressive yet. Companies have begun increasing borrowers' interest rates to 30% or more simply because they've applied for a mortgage or car loan, or because the company has decided the borrower has too much available credit. Credit card companies often offer credit cards with attractive terms, like 0% APR balance transfer offers. They won't tell you all the terms of the agreement until you actually apply. Often the case regardless of your "pre-approved" status. You won't know what your credit limit is until the company performs a credit check and you're formally approved. This makes it more difficult to plan those 0% balance transfers that are so popular among the debt-savvy. The credit-card issuers state the proposed rule changes are bad news for consumers. The PR TV barrage to pay by credit card so the user does not hold up other customers belies that argument. Hundreds of business owners on the web, home food delivery, transportation, catalogs only do business with credit cards. Will the credit-card issuers suffer? Only to the point they will not be making millions of extra dollars by stepping on consumers backs. The statement "Many members of Congress are very, very concerned about credit-card practices", creates the illusion that Congress and the Government had nothing to do with allowing these practices to change. Hypocrisy again at its finest. Congress and Federal Reserve allow Banks and bank-owned Credit Card companies to set high interest rates for credit cards and then banks pay 2.9-3.9% interest on savings accounts. And they wonder why American individuals see savings as HOPELESS.