

From: cathyk2p2@yahoo.com on 06/25/2008 10:55:05 PM

Subject: Regulation AA

Comments Federal Reserve Board

Dear Comments Federal Reserve Board,

I have witnessed these unfair practices for over 5 years now, and it's time we put a stop to this "usury" by the big banks.

I live on a fixed income, and both of my income sources, Social Security and Adult Public Assistance are automatically deposited into my bank account each month. Well, this sounds convenient, but once in awhile the electronics go wrong, or caseworker doesn't process the paperwork on time, and the money is missing or late. On several occasions this has caused me to be late in paying my bills, and wham...I am hit with huge "universal default" interest on ALL of my credit cards on the balances I already had on them.

Now, I understand that I have entered into an agreement that I will owe interest when I borrow money on these cards, but it would seem pretty one-way if I agreed to a certain rate and then got hit with another. If we allowed a mortgage to work this way, no one would ever obtain one. So, why do we allow the credit cards to work this way. In one case, I had to have emergency surgery to save my companion cat at \$1500. I have paid on the GE Money Bank account through Care Credit for over 4 years and still owe more than I originally charged....I will never, ever pay it off at this rate. I have paid the original loan and that means the interest is still more than \$1500. I have pointed out to the company that they are forcing people into bankruptcy, but to no relief.

Moreover, I have had calls from Citibank on my Sears account, which I pay promptly every month, that I was about to go into collections. When I expressed shock I was told they had posted my payment late, charged me a late fee and this made me behind. It seems that the payment made in Alaska after 4:00pm on the East Coast is considered "late" when I paid it after 12:00 noon on the due date in Alaska. This late fee of \$35 was charged to my account, while I am thinking I am on time and caught up....then the next payment was applied to this fee and not to my amount owing, and that put me behind on my account. I was dumb struck that this was their practice, and business as usual with a loyal customer. If I had the money I would pay off my cards and never, ever use one again. Instead, the companies keep raising my credit limit without my approval, and keep me

from resolving my debt...even when I no longer use the cards. this hurts my credit rating further, because they then consider the expanded credit available as risky. I feel like a pawn in some big game.

These practices are forcing Americans into bankruptcy and causing harm to our economy for the sake of greed on the part of these companies. How is it that one industry can hold middle and low income people under until they drown in debt and the upper middle income class and the rich are just watching!!! It is burdening our courts and when the end result is bankruptcy, no one wins!!!

I beg you to stop this harm, and help Americans keep their dignity, their livelihood, and their future in their control....not that of the greedy big banks.

The new proposed credit card rules curb some abusive lending practices that drive consumers deeper in debt. I urge you to implement these rules to provide relief to people like me who just want a fair deal from credit card companies.

Sincerely,
Catherine Hollingsworth
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