From: amorley33@sprintpcs.com on 06/06/2008 12:34:59 PM

Subject: Regulation AA

I support the Federal Reserve plan to rein in some of the worst practices of credit card companies.

I have personally ha some very disturbing experiences with credit card companies, one of which has severely ruined my credit rating. This particular bank raised my interest rate from a very low promotional rate to 30% because I was two days late in making my payment. In addition to the increase on interest rate, they charged exorbitant late fees. I do not believe the credit card companies should be allowed to charge 30% interest at any time. That is usury in the worst form. By their actions, they made it impossible for me to make my monthly payments and then refused to work with me. They told me "Too bad, so sad". Subsequently, they sent the account to collection. Now the collection agency calls 15 times per day demanding payment in full. Well, if I could not make the monthly payments, I can't help but wonder why they would think I happen to have thousands of dollars just laying around from which could pay the account in full. It is ludicrous.

I do not believe the credit card companies should be allowed to change the interest rates PLUS charge late fees. I also do not believe the credit card companies should be permitted to charge interest rates that are any higher than the going rates for mortgages, auto loans, etc. When the Federal Reserve lowers the prime interest rate and mortgages drop to 4.75%, how is it fair that credit card companies can increase THEIR rates to 27-30%? You should put a cap on interest rates!

Please also take action to stop lenders from raising my rate even though I have been making my payments to them faithfully, just because I have had a problem with another company as indicated above. After the above bank increased my rate and made it impossible for me to meet my monthly payments, some of my other credit card companies decided to increase my rate because "I am now a "bad risk". So, now, these other companies have decided to punish me and make it impossible for me to make THEIR payments, as well. This should be ILLEGAL!

Credit card companies should NOT be permitted to continuously check one's credit report if the person is making his/her payments reasonably on time and is not falling behind. In other words, credit card companies should not be allowed to "rock the boat" on people who are trying to live up to their financial commitments and burdens.

Please do not let credit card issuers convince you to change your proposed plan. These companies are adding to the destruction of our economy. With the cost of gasoline going sky high, it is becoming impossible for people to even drive to work. We certainly do not need the burdens of usurious interest rates, resulting in inability to meet financial commitments, added to today's financial problems.

If nothing is done to curb these credit card companies tactics, more people will be unable to make their payments, the credit card industry will go down the tubes, and companies who rely on the extension of credit to make sales, will go bankrupt.

Thank you for reading my comments.

Sincerely,

Arden P. Morley, JD, RAC
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