

**From:** Ann Isaacson <amipp@embarqmail.com> on 06/10/2008 08:25:04 PM

**Subject:** Regulation AA

Jun 10, 2008

Federal Reserve Board Email comments

Dear Email comments,

It is imperative that you move to enact these proposed credit card rules as soon as possible. Credit card companies provide constant enticements to spend money we don't have and then pay it back at rates they can increase at any time.

My mailbox is flooded with letters attached to prepared credit card checks with the first one always payable to my name in the amount of several thousand dollars. They tell me I can take a nice vacation, buy good stuff, get anything my heart desires right now because I deserve it and they want to make it happen. **Right NOW!!!** All that is in bold print. What happens next? I shudder to think of what happens should someone steal these checks from my mailbox and use them without my knowing.

Meanwhile as one wades through the confusing smaller print, it becomes clear that the company is free to change the rules of the contractual obligation at any time. Please provide structure to protect the good faith borrower. Stop companies from hiking interest rates on existing balances unless the customer has failed his obligation to make timely payments.

If payment is 30 days late, then the rate could be raised. If not, the customer should have the right to rely on the original contract. Companies offer promotional low interest rates, especially for those floods of 'free' checks, and then apply entire monthly payments to the lower rate debt first. The customer must retain the right to continue payment on the higher rate debt. Make some provision for division on payment amounts above the minimum to equitably allocate the funds.

Companies must give us time between the bill date and the due date so that payment can ALWAYS be made on time via the US Postal Service. Mailed statements often arrive at my house as much as two weeks later than the statement date, only days before the due date. I've opted to pay on line. Many people do not and end up with past due fees created by the company policy.

Finally, credit card companies make it difficult to pay off a debt in full. If I receive a statement dated the 20th of a month which arrives at my home on the 4th of the following month and I immediately mail a check for the full amount of the statement, the total balance, AND my check is received and processed before the due date, some companies make it a policy to bill interest charges on that debt after it is paid off. That's just plain wrong.

Please stop making it easy for credit card companies to keep Americans in debt by enticing them to spend and then making it ever more difficult to pay the debt. Enact the proposed rules ASAP and then review to make them even more stringent.

Sincerely,

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