

Jackson, MS 39204
March 16, 2007

Jennifer L. Johnson, Secretary
Board of Governors
Federal Reserve System
20th and Constitution Avenue, N.W.
Washington, D.C. 20551

Re: Comments to Docket No. R-1217, Regulation of Credit Cards

Dear Ms. Johnson:

I am writing to share a senior citizen perspective on this issue. I want to share my personal experience with a card from Citigroup. When I accepted a card in July 2000, I accepted it on the basis of the terms presented to me. I charged nearly \$4,000. Shortly thereafter, I received a notice advising me that the terms of the card had changed and I could opt out, but my account would be closed. I did opt out and the account was closed but then there increases in the interest rate, and all kinds of other fees tacked on every month. I have no idea what the fees are for and cannot get a sensible answer from the company. I know that I have not charged another dime since they closed the account. The balance contains over the limit fees, late payment charges, two separate periodic rate charges, and a balance transfer fee—I have never had a balance transfer. Citigroup piles the fees on so that it can never go under the limit. It does not matter how much I pay on the balance or when it is paid – the payments do not affect the balance and the fees steadily increase.

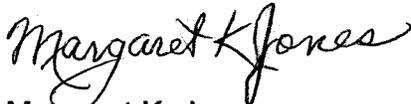
This had been a total nightmare. Since July 2000, I have paid at least \$120 per month for seven years, coming close to \$10,000 and according to the current monthly statement, I now owe \$4,556.86. In looking for a solution to the problem, I contacted Citigroup and tried to resolve it by offering a settlement. This was rejected outright. After consulting with a consumer advocate and an attorney, I was told that Citigroup rejected the offer because I was paying the bill every month. It seems these are the only ways available to me to get out: (1) to file bankruptcy (to stop the fees) which will cost me another \$2200 and penalize me for 10 more years by having it on my credit report; (2) to sell everything I can from my home to raise the money to pay it off **again**; or (3) to stop paying and wait until Citigroup sues me in state court and risk a judgement or lien against my home.

At 66 years of age, none of these options are attractive to me but I know I will have to chose one because I have made a decision that I will not be held

hostage like this any more. I know there are thousands of seniors in this same predicament just like me, who know they have made a dreadful mistake to get the card(s), but who keep paying simply because they don't know what else to do or where to turn.

Finally, I strongly urge the Federal Reserve Board to use its authority now to bring about the needed reforms in the credit card industry to protect consumers and to ask Congress to pass laws that substantively regulate the credit card industry by limiting the rates, fees and practices they can engage in, including mandantory arbitration.

Respectfully,

A handwritten signature in cursive script that reads "Margaret K. Jones".

Margaret K. Jones