

**Subject:** Regulation AA

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I agree with prohibiting banks from upping the rate on pre-existing credit card balances & applying payments in a way that maximizes interest penalties. Please have payments be applied to higher-rate balances first. Paying interest on fees adds insult to injury... & please end the "double-cycle" method, which averages out the balance from two previous bills, so you still get hit with retroactive interest even if you've paid off your balance. I intend to ultimately get down to one or 2 cards, period...I am one of those consumers who has transferred balances left & right due to my partner's bankruptcy....it has been incredibly hard to keep our heads above water. Right now every cent goes to cards where I pay interest on fees generated by interest, or my higher interest debt remains as a profit center for the bank while my payment never seems to go towards the capital. What about having banks provide the option that if I pay \$200 more than my minimum, I can tell them the extra must be applied to decrease the capital principle debt first vs the fees and interest? I see no reason why banks should not make a profit on what they loan out but enticing balance transfers with 0% payment for 6 months only to then hit someone with a 24% cash advance payment rate is obscene. I read the fine print so I don't accept offers like that, but it is disingenuous for the bank industry to say small business owners will lose the option of transferring balances to a lower rate card if the FED passes these changes to the card industry...I used to get some of those but even the bank I have had a card with for over 10 years now has eliminated those offers to transfer a balance to a lower rate - say 3.99% - until the balance is paid off. Yet, because that rate is so low & consistent, the bank will ultimately end up making more money from me because I will pay off higher balances first, so even though the interest rate is lower the length of the loan is longer so the bank still makes money & wins...something similar to what the mortgage companies & banks used to do!