

**From:** "DIANN BERNSTEIN" <basset\_lovers@msn.com> on 07/23/2008 10:45:00 PM

**Subject:** Regulation AA

I wish to speak out against the deceptive credit practices of banks and credit card companies.

Siblings I have with little extra spendable capital have gotten snowed under by:

- **Retroactive re-pricing**, or jacking up the rate on an existing credit card balance, for any reason other than the customer paying late.
- **Double-cycle billing**, which essentially charges two months' interest on a balance carried only one month.
- **Unfair payment allocation**, in which the issuer applies your monthly payment only to your lowest-rate balance (typically a balance transfer), so that your high-rate balances -- typically purchases and cash advances -- continue to accrue tons of interest.
- **Bait-and-switch offers**, in which one interest rate is heavily advertised but applicants wind up with another, much higher one.
- **Arbitrary due times**, which make a payment late if it arrives on the due date but does so after, say, 1 p.m. Central time.
  - **Mandatory bounce protection**, or "courtesy overdraft" coverage, that can't be turned off, which means overdraft transactions automatically get approved and rack up big fees.
  - **Charging overdraft fees based on holds**. Certain merchants (gas stations, hotels, car rental outfits) are notorious for placing big holds on your checking account when you use a debit card. These holds are typically for far more than you actually spend and may not be released for hours or even days after the transactions, yet some banks count these holds as actual transactions and charge fees as if you'd actually overdrawn your account.
- These unfair practices should not be allowed. This is a part of why the American consumer is in terrible financial shape.

Please help reform the industry.

Thanks,

Diann Bernstein  
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