

From: "HarrietC" <harrrie@wi.rr.com> on 07/27/2008 12:00:04 PM

Subject: Regulation AA

Dear Sirs and Madams,

I read an article that was offered at a site, written by Liz Pulliam Weston titled Speak Now or Forever Pay Huge Fees. I am not a professional in finances and believe that the elected officials should be my advocates in financial matters to protect myself and other citizens. We need protection from unfair practices that the government or the financial institutions can lay on the citizens of the USA. Below is a partial segment from Weston's article which speaks of unfair practices that the financial institutions want to keep. Please do what you can to protect the citizens of the USA from what I see as morally and ethically wrong practices. Thank you

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Speak now or forever pay huge fees

Do you want your bank or credit card company to play nice? The time to comment on a proposed crackdown is running out, and every voice counts in this David vs. Goliath battle.

By Liz Pulliam Weston

If you're tired of banks and credit card issuers gouging you, now's the time to speak up.

Aug. 4 is the last day the Federal Reserve will accept public comments on its proposals to curb some of the worst practices, the kind of policies that set consumers up to fail.

Stuff like:

- 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.

None of these proposals is all that radical. "A timid first step" is what MSNBC columnist and "Gotcha Capitalism" author Bob Sullivan calls them.