

From: CLAIRES WRAY <wraycom@msn.com> on 07/24/2008 08:30:02 PM

Subject: Regulation AA

Please act to protect American consumers by preventing the following predatory practices:

- **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.

Claire Wray