

"George T. Van Arsdall, Sr." <gvana@hughes.net> on 06/12/2008 10:45:10 AM

Subject: Regulation AA

Jun 12, 2008

Federal Reserve Board Email comments

Dear Email comments,

Credit card companies currently have all the advantages. The consumer has few options under his or her control. Late fees and interest rates exceed individual state usury limits in some cases. The so-called

grace period for payments is a joke since statements are not mailed the date they are calculated and printed in many cases, mail delivery is slower than in pre-9/11 times (both to and from the consumer). By the time the statement is mailed and received by the consumer, he or she

has only a very few days to make payment in order for it to be received by the due date. For example, consider this: 1) The statement is calculated and printed on a Friday, with a so-called 25 day grace period. 2) The statement is mailed on Monday (3 days elapsed). 3) The consumer receives the statement on Thursday (7 days elapsed). 4) He or she is paid bi-weekly, and receives a check the next day but it is already allocated for food and other necessities, and does not get paid again until Friday two weeks later (22 days elapsed). 5) The consumer issues a check the next day and mails it (23 days elapsed). 6) On Tuesday, over 25 days have elapsed since the statement was printed and the credit card company assesses an outrageous late charge of \$39.00. 7) The check is received by the credit card company on Wednesday (27 days elapsed). The consumer has been struggling to make payments on this credit card along with all the other expenses of trying to support a family in today's economy, and this just makes it that much harder.

I realize that the credit card companies must be able to receive the payments and record them prior to issuing the new statement, but a grace period of 28 days would still allow for this and give the

consumer a little bit more time to make timely payments. I urge you to require a minimum of 28 days grace period for all credit card payments.

The practices of using a two-month average balance for calculating interest and of requiring that a new balance be paid in full prior to the due date for two months in a row in order to re-establish a grace period are also grossly unfair to the consumer who makes one late payment.

Please, I urge you to consider the consumer as your FIRST priority, not corporate profits.

Sincerely,

Mr. George T. Van Arsdall, Sr.
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