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Comments:

The Federal Reserve, a non-elected body that holds control over currency and the economy in the United States, has a Fundamental obligation to ensure that consumers are protected. Money will always be out there to be made by Banks and Credit Card companies. Weakening the proposed rules will only hurt consumers. Consumers need to be protected from predatory acts, as the recent Housing Crisis has shown. Predatory Lending, Predatory rate hikes, vague and hidden fee's.... These are practices that MUST be reigned in. Charging someone more interest who is already struggling to pay, will not ensure that they are less risky.. If anything this situation will cause that person to either give up and default on everything or will result in settlements where companies are recouping less than the borrowed amount. I think an addition to the propose changes should be; A restriction on the amount of money that a credit card company can claim as a loss. First of all, Credit card companies that have customers with defaulted debt, are allowed to not only write off that debt once the customer has charged off, but also they are allowed to sell that debt to third party companies who, let's face it, do not always abide by FDCPA.. I know this first hand as do Millions of other

americans. By either limiting the amount of money Banks can claim as a loss, or preventing banks from Selling the debt, after they have claimed it as a loss, consumers will have the protection against banks double dipping in the honey pot. Consumers will pay the price by having a charge off on their credit history for 10 years... They will pay higher rates when they apply for new credit and they will be unable to borrow as easily, due to their defaulted debt. Banks should not be able to claim the loss and then sell the debt for profit. Also, I think it is important to note that they way most Credit Card companies operate, as long as at least 15 dollars of a payment is going towards principle, the customer is not considered to be negatively amortizing on their debt.. While this is technically true, as a former Consumer Loan collector for MBNA, I personally saw a customer with a loan that was 5 months past due. The woman paid the minimum payment each and every month, and was struggling with it. Her balance was so high and her interest rate was to the point where it would have taken her over 60000 years to pay off the loan, due to only 15 dollars going to her principle. I personally have a loan through HSBC, that is for 8800. My interest rate is so high that when my automatic monthly payment comes out, less than 20 dollars goes towards principle. In the last 2 years, my loan has only decreased by 200 dollars, even though I pay almost 260 a month. This is highway robbery. On time payments be damned, due to a poor credit history with a different creditor, I am only good enough for a 29 percent rate... Even though I pay each and every month on time... This is rediculous. Next, we need to discuss solicitations of credit for college students. I worked in Telemarketing for MBNA Marketing systems. I personally solicited credit cards to college students. These are children, who for the most part are not working, that we were giving credit cards too. They barely were out of their parents house, with virtually no understanding of how credit cards work, being given a card with a couple thousand and by the time they graduate, they are so far in debt they can't actually get out of it. This practice needs to stop. If someone is working and they can demonstrate that they understand what they are getting into, Fine let them hang themselves on credit. In our society however, Credit card companies will give credit to anything with a pulse and even to some without. They may or may not follow the patriot act when it comes to obtaining the proper information from consumers. i.e Name, Address, DOB, SS# They may or may not solicit cards to illegals... No one at the FED or the SEC even bothers to bat an eyelash over these things, yet as an American Taxpayer and Citizen, we are reliant on you people to manage our economy so that we can work and live... We don't elect you but we are stuck with you nonetheless. For the last several decades, companies, corporations and lending institutions have literally, raped the american people... Isn't it time that you people grew a conscience and started protecting the public????