

From: James Knight <jknightut@juno.com> on 06/03/2008 12:30:04 PM

Subject: Regulation AA

Jun 3, 2008

Federal Reserve Board Email comments

Dear Email comments,

Also please consider these additional rules:

- o Limits need to be placed on how high credit card companies can make "penalty" interest rates and how long they are permitted to keep consumers at these often extremely high interest rates.
- o Fees to pay a credit card by phone or internet should be prohibited.

- o Credit card companies should not be able to raise interest rates and change the terms of a credit card for future purchases at "any time for any reason."

- o Young adults need protection from abusive credit card practices, on and off college campuses.

- o No more than one overlimit fee should be permitted during a single billing cycle.
- o Companies should be prohibited from offering credit cards where the fees to open the account are more than 10% to 25% of the credit limit.

- o Consumers who have been prescreened should only receive advertisements for interest rates and credit limits for which the consumer is likely to qualify.

Missing items related to unfair deposit account practices:

- o Banks should not be able to charge overdraft fees or bounced check fees when the overdraft would not have occurred but for a hold placed on deposited funds.

- o Banks should be required to deny a debit card transaction, rather than trigger an overdraft loan fee, if the account contains insufficient funds to cover the transaction.
- o The proposed rule only requires that banks provide an opportunity for consumers to opt out of overdraft loan programs. There should be a provision requiring consumers to affirmatively opt in to these programs!

Sincerely,

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