

From: Paula Kinzer <ecosense@bendbroadband.com> on 06/03/2008 03:00:04 PM

Subject: Regulation AA

Jun 3, 2008

Federal Reserve Board Email comments

Dear Email comments,

I am very glad to hear that you are proposing new rules on credit companies to reign in their consumer abuse. I have been a credit card customer for over 25 years, and I am furious at how much policies, penalties, fees, interest rates, and solicitations have increased over the last seven years. It is imperative to protect consumers rights.

My husband and I have several accounts and every month we pay more than our minimum balances. There have been a few occasions where we have paid a few days late due to unavoidable circumstances, but the vast majority of our payments are on time. We have had many instances where we have been wrongly charged late fees; sometimes the creditor will adjust this, but it is like pulling teeth and an unfair waste of our time. I could tell you a few horror stories of actual instances, but neither of us really has the time. The important thing is that you must require a reasonable policy/grace period for making payments before a fee or interest rate is justified..

We have also had a hard time keeping pace with the shorter time frame between the bill arrival and the due date. Recently, I noticed that many creditors have stopped using a mailing system that uses a post mark, so it makes it even harder to hold them accountable. Please set a reasonable time period between billing and due dates.

My husband's and my credit scores are both above 700, yet most of our interest rates are at 19% or higher. This is absurd. Interest rates need to be capped as due late fees and penalties. On a similar note, I find it equally frustrating that these same financial institutions who are also providing banking services, now place a hold on the bulk of checks we receive for our business. This is not fair. The same institution that penalizes a person for not making a payment exactly by the due date also wants to put a 3 plus day hold on our income from checks. Clearly this makes it even more challenging to make payments on time, and shows just how unbalanced the laws on financial institutions have become. Please protect the consumer, so that the economy and the lower and middle class at least have a chance at decent quality of life.

Sincerely,

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