From: "Jerome Kavulich" <kavula@bellsouth.net> on 06/08/2008 06:35:08 PM

Subject: Regulation AA

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Federal Reserve Board

Dear Federal Reserve Board:

I support the Federal Reserve plan to rein in some of the worst practices of credit card companies.

The Banks have been using the poor folks who are locked into their crdit cards to offset other huge mistakes such as the mortgage market mess and bad loans tofailed businesses. The big guyes pay lawyers to fight the banks but the average folks do not have that luzury.

The people behind these rules are overpaid and underworked MBA's who graduated from Harvard, Yale and other IVY league schools who don;t have an ethical bone intheir bodies.

The fees that the banks charge are a monry machine forthe banks. Remember, in Corporate America, profits are projected and when these goals are surpassed, the shareholders do not see this money but the over paid underworked MBA yuppies get to paythems selves and their favorites hugh bonuses and perks.

The FEd needs to give these banks an incentive to be fair to the consumer. The baks threats that they will hold back on credit is bullXXXX. These MBAs need to issue the cards and create market share simply because if they don't, guess what, they are out of a job. So don;t believe the threats of the banking lobby.

These Fed rules are a good start to even the playing field for the consumer.

These credit card companie have lied to the consumer. They tell that the rate is fixed for life at a rate and then they change it unlatterally either directly or by changing the "contract." As a lawyer, I can say that this does not happen in any other industry.

They bounce you around on your due dates to get you off guard.

Another scam for the Fed to watch is the packaging and sale of bad debt. Much ofthis bad debt is uncollectable either because of statute of limitations or a bankrultcy discharge. I have represented clients who come in with letters to collect debt which is far too old and beyond the statute of limitation.s A distasteful trick of these yuppie MBA's is to confuse the consumer and threaten the consumer that they will repport the bad debt (It is off the credit report because it is too old) and ruin their credit but the consumer can avoid this by sending in $10.00 a month. If the consumer falls for this trickery and deception, the debt under most state laws is reaffirmed and the stutute of limitations starts all over again.

When the debt is contested, the "new owner" dismisses the suit and mearly sells it to another collector.

The fed needs to make rules which puts an end to this treachery. There should be huge penalties. The seller needs to disclose under oath and penalty of perjury the date of the last payment to both the purchaser of the debt and to debtor. IF the alleagtion cannot be later proven upon demand, there should be a $5,000.00 penalty in favor of the debtor to be paid by both the initial creditor and the subsequent purchaser of the debt. A bond must be posted by anyone collecting such debt to insure a fund to recover such penalties.

Please consider these comments.

Sincerely,

Jerome J. kavulich