From: Larry Smith <viclar@charter.net> on 06/10/2008 10:00:03 PM

Subject: Regulation AA

Jun 10, 2008

Federal Reserve Board Email comments

Dear Email comments,

I agree with each of the above proposed rules. One concern is random rate changes and a belief that credit-card companies are randomly (and unilaterally) hiking rates for reasons unrelated to good faith.

A second concern is applying payments in the company's best interest; this infringes upon the customer's right to efffectively reduce debt by allowing the company to suspend posting of a payment AND maximize interest paid to the company. Payments should be applied in the same manner as purchases, and applied to debt created first regardless of the interest rate. Moreover, the customer should be able to order payment of higher-interest debt when monthly payment amount exceeds the minimum payment.

Finally, bills should be mailed within a specified timeframe after availability. For example, I receive on-line credit-card statements.

For one card, I notice that the mailed statement arrives 10+ days after the on-line bill is available.
Credit-card companies earn enough profit on unsecured debt without squeezing customers for more. It's getting to the point where the best credit-card company is one with whom you have a zero balance.

Sincerely,

Mr. Larry Smith
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