

From: Stephanie Bellerive <haquey@swbell.net> on 06/12/2008 05:45:08 PM

Subject: Regulation AA

Jun 12, 2008

Federal Reserve Board Email comments

Dear Email comments,

Credit card companies now are allowed to operate like loan sharks! My husband and I have always been very frugal and have managed to always pay any credit card debt within the grace period; however we were given a taste of just how ugly things can get when our son, who was a student, lost his part time job, and got behind on his payments. He had managed his credit well from the age of 16, but being laid off work, and one late payment made his rate shoot up to 30%! Fortunately we were able to help him out of the situation, but his debt was increasing so quickly, he would have never been able to dig his way out. We made a payment for the full amount online, but by the time they posted it he already owed another \$70! That was just over one night!

I see no purpose in raising the interest rates when a customer gets behind in payments. Customers are charged late fees, but by raising the interest rates to such an exorbitant amount, they are making it almost impossible to ever pay off the debt. It is unconscionable for these companies to be allowed to continue to operate in this manner.

I feel that this law is the bare minimum that congress should do, as it will only serve to mitigate further injustice. These companies should be penalized for all the monies that they have stolen from their customers. I totally believe that credit card companies have a right to seek fair profit, but their current practices seem like price gouging to me. Obviously, I am no legal expert, but if what these companies are currently doing is not already against the law, I am appalled.

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Sincerely,

Mrs. Stephanie Bellerive
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