

Michael Janover <janover@earthlink.net> on 06/12/2008 06:20:09 PM

Subject: Regulation AA

Jun 12, 2008

Federal Reserve Board Email comments

Dear Email comments,

For years, I've considered credit cards legal usury. There doesn't seem to be much difference between them and loan sharks - except the credit card sharks eat a lot better and went to college.

The rates and terms are totally inflexible from the user's end; and yet the lender seems able to adjust terms, fees and rules at any time, no matter what the written contract says. In fact, they send out "new" or adjusted contracts periodically as they see fit.

But if you are one day late with a payment or violate some other arcane or buried rule - there is no flexibility. Your rate can bounce enormously.

I've had my card jump over 10 points from RBS, only because we didn't return a request not to let them raise the rates. Had I received the

notice, perhaps I would have; after all, who WANTS to pay higher rates. There were no new purchases on our card, and we were never late with a payment. I even explained that we never received this "request" not to raise the rates -- and anyway, why did I have to request it when it was in the agreement that the rate would be FIXED FOR THE LIFE OF OUR LOAN TRANSFER? The only answer I got was that I failed to return a written request, and now it was too late.

Sounds like loan sharks to me. If you're late, you can get a late fee for 30, 40 or \$50, depending on their whim. And on top of that fee,

they can arbitrarily and unilaterally raise the interest rates. Nobody seems to be controlling them.

I realize that Congress should have oversight, and yet it's well known that the banks and credit card industry fund the campaigns of these senators and congressmen who are supposed to look out for us. I hope somebody puts some kind of enforcement on these people. I currently have a credit card debt of over \$11,000 -- and when I went for debt advice, they told me I was doing "everything right." If I'm doing everything right, how come my rates went up? (By the way, one bank's answer to that question was simply that "their costs had increased." Would that work if I told THEM that?)

.

Sincerely,

Mr. Michael Janover
570 Grand Dr
Bigfork, MT 59911-3615