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Subject: Regulation AA

Credit card companies that raise rates for 1 day late is completely insane. This practice was simply started to screw the consumer in times of hardship. These companies have never learned that if they were to lower rates to normalized levels without giving someone too much credit the banking industry would not be in the problems it currently is in. lower the rates, keep people from defaulting, help them pay them off sooner, but create a mandatory savings plan based off of lowering the rate.

If banks would lower the rates on credit cards to prime plus a point or two, with the stipulation that whatever is saved over the life of the credit loan from what there normal rate is, they would then continue to pay like a normal monthly bill but instead it would go into a 4 year cd where the bank would get the use of the money to do other loans while still creating interest for the CD.

This would help the banks be self sufficient while also lower rates while creating savings for the average person....

Also I believe credit card limits should be set by the government based on annual income just like a house loan. When a limit is reached then people should not be allowed to borrow higher amounts.

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