From: Philip Sirlin <sirlin@optonline.net> on 07/29/2008 07:35:03 PM

Subject: Regulation AA

Jul 29, 2008

Federal Reserve Board Email comments

Dear Email comments,

In addition to the proposed rules, which are excellent, the following should be prohibited:
(1) Increasing interest rates based on credit reports, since entries many be erroneous
(2) Usurious rates of 30%, which are a disgrace. Fed discount rate plus 12% should be adequate.

(3) Overlimit fees -- the banks can turn off a card whenever they wish -- they purposely fail to do so, so they can add $39 overlimit fees
(4) Late fees greater than $15 -- the banks receive high interest rates, late fees are a type of double dipping
(5) Cancelling cards or reducing credit limits on cards that are properly paid on time each month
(6) Harassing cardholders and damaging credit ratings for debts that would not be collectable in court -- if the amount is large enough to go to court, for example $5000, the bank should be forced to file in court within 2 years or write-off the debt and abandon collection actions and credit bureau entries -- when they don't file, it is because they know the amount is not due.
(7) Use of credit scores beyond statstical significance -- most defaults are due to divorce or illness, not predictible with credit scores -- the use of credit scores has been a cruel hoax on the people of the United States
(8) Concentration of more than 20% market share of credit cards in a single entity -- when Bank One and Chase merged, one of thenm should have been forced to divest their credit card business.
The above loan-shark tactics victimize the most vulnerable citizens.
The banks should not be allowed to make their highest profits on their poorest customers.

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Sincerely,

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