

Subject: Regulation AA

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Proposal: Regulation AA - Unfair or Deceptive Acts or Practices

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Comments:

Dear Honorable members of the Federal Reserve Board: Thank you for providing this opportunity for public comment on proposed regulation: AA "Unfair or Deceptive Acts or Practices" of the credit card industry. The credit card industry's flagrantly deceptive practices are yet another example of monetary abuse by financial institutions in America, basically due to loose government regulation or government not setting and enforcing standards of fair practice. The devastating economic repercussions, of the housing market fiasco, should be a warning to congress that standard rules, with adequate deterrent penalties, need to be applied to financial industries to prevent them from slipping into institutionalized abuse for profit. "Regulation", seems to be a dirty word these days. Perhaps "fair practice" laws, which is what regulation is designed to achieve, would be a better way to word documents pertaining to these industries. Financial institutions would be less inclined to lobby to loosen "fair practice" laws! Would it be going too far to sue the financial industries involved to compensate victims of shoddy credit card and lending practices? I find it hard to believe that the credit card industry, and the lending industry, are not fully aware of the impact their deception has on the individual

consumer. Credit card malpractices not only demoralizes consumers, it drags down the entire country. How? 1) Consumers lured into devastating financial dept-traps, by credit card companies (who skim hopefully soon to be illegal, increasing interest profits), are rendered modern day serfs. Instead of putting money into the economy by buying new goods, modern day serfs (credit card debtors) money goes to support top executives and a relatively few shareholders of credit card companies. Modern day serfs (credit card debtor) remain indentured servants (victims) of the credit card company until they eventually dig themselves out of debt, or declare bankruptcy. Bankruptcy losses are passed on to the rest of consumers by the credit card industries. 2) Each credit card debtor, no doubt, has countless stories to tell of how their credit card debt-trap negatively effects their life: mental illness; loss or delayed marriage; turning to drugs/alcohol; delaying health issues; delaying or forgoing college; delaying or forgoing building businesses. Victims of credit card debt are basically consumers and producers in limbo. They can not buy new goods or get loans to boost the general economy. They are less likely, or able, to pursue further education, making our work force less viable. Is this what we want for our country and our citizens? 3) Citizens free of malignant-debt would promote: less healthcare costs; increase in skilled workforce; decrease in suicide rate; increase start up businesses that in turn creates jobs; and funnel money into the economy through consumer spending on new goods rather than paying down debt. The totally unnecessary desperation, and demoralization, of our citizens, by credit card dept-traps, undermines our countries strength and must be stopped. It is in the best interest of our countries economy and security to foster a productive and healthy citizenry. America is only as strong as our citizens, period. Our government is bound by duty to protect its citizen from harm. Right now, the lack of "fair practice" laws gives the appearance of our government condoning basically a loan shark operation, run by the credit card industry! Let's stop the epidemic of credit card victims. Please review and encourage passage of the proposed regulation: AA "Unfair or Deceptive Acts or Practices" of the credit card industry. Then, consider healing victims through the courts. Respectfully yours, Janet Monteith-Wong Retired R.N. (262) 790-8950 janetw@wi.rr.com 350 Bending Brae Court Brookfield, Wisconsin 53005