

From: Marguerite Matera <glou4@msn.com> on 07/30/2008 06:40:05 PM

Subject: Regulation AA

Jul 30, 2008

Federal Reserve Board Email comments

Dear Email comments,

Dear Federal Reserve:

I am sending this email in support of Docket Number R-1314 which enacts proposed credit card rules. I am old enough to remember when credit card transactions were a contract - a straight and well articulated

agreement between a credit card company and a credit card holder. Now,

however, holding a credit card means only that the card hold can borrow some money on some vague set of terms, set by the card issuer, which terms can be changed at will by the card issuer. I receive mass

notifications from credit card issuers which are not specific about the card that they apply to since the return addresses are a post office box in a city far away, and which refer to the issuer as "The Bank" - which bank? and include no indentifying number on the notification.

A credit card no longer represents a contract, since a contract

requires that both sides agree on the terms. Credit issuers change the terms at will. It is unrealistic to argue that a credit consumer who does not like a change in terms can just pay off the credit card and change to one whose terms he or she does agree with, especially since most people cannot just pay off their credit card balances on 30 days' notice. It's also not possible because credit card companies play follow the leader - there are no or at least very, very few real alternatives for consumers who seek a card with fairer terms. This makes the marketplace unfair, with one side able to set all the terms, and no real competition.

The practices in which credit companies now engage are unconscionable. I have a college age son whose debt to a credit card company mounted because he was unfamiliar with the company's willingness to accept charges that went over the card's "limit" and that carried associated over limit and late or underpayment charges. Credit card issuers have rigged the system so that it is completely unfair to consumers. We are relying upon you to enact tough regulations that impose fairness on the credit card business.

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Sincerely,

Mrs. Marguerite Matera
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