

Subject: Regulation AA

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Comments:

I would urge the Federal Reserve to correct and prevent future actions by credit card companies to further harm consumers, make it more difficult to pay off a balance and use unfair penalites, and credit practices: in particular, 1) if late on a payment for one credit card company being open to have any and all other companies raise your rate due to a late payment on an account that is not theirs. 2) raise credit rate by more than 1/2% due to late payments 3) if a payment is not paid or is 30, 60 days late do not raise the credit rate - fine to suspend the credit and force a pay off and not reinstate until brought current. The credit card company can also decide to cancell the credit card if they wish that is fair. 4) the basic rule should be that a credit card company can ONLY make adjustments, rate increases (with limits), etc. based on the customers relationship with their company and not in any way or form based on other credit card companies or payments. rationale - a consumer due to job loss, unexpected life events, etc. and is current with credit cards, x,y and and late with a and b, then cards a and b can make judgements independently about how they wish to go forward with this consumer but cards x,y and z should not be able to alter any conditions as they are not effected. Most likely the consumer is making good faith payments as he/she is

able. Secondly, to raise rates, on credit to any level say over 1/2% seems unfair, and makes the interest that much higher and the principal that much harder to payoff thus opening more consumers to bankruptcy and other economic hardships. Third, credit card companies did get their way with the new bankruptcy laws and that is good enough. They can also cancel the consumers credit if the payments are not made in a reasonable manner. They have options. However, having the ability to raise rates on the relationships of a consumer with other credit card companies payments lacks all logic other than extreme greed and government corruptive compliance. We look to the government to create and maintain "fair and reasonable" playing fields. The credit card company is clearly right to expect and get payments, the consumer is clearly right to be able to make those payments on the agreement that was made at the time the credit card company and the consumer entered a business agreement. The federal reserve should support consumers in making payments vs. creating an environment that creates more debt and making it more difficult to payoff such debt. The credit card companies gave the credit, approved the consumer and has the right to cancel the credit, suspend it and take actions to protect its interest. It does not have any right to increase the debt for no service or benefit to the consumer. Now if the credit card companies want to allow consumers to file bankruptcy as in the past prior to the new laws well fine - but they can not nor should not have it both ways. The goal should be fair and just to both the credit companies and the consumer. Given the taxpayers are bailing out our banking system it is only fair that we not be treated unfairly as a outcome of these rules and laws. Sincerely, Charles J. Volin, PhD.