

"Bob Crep" <bobcrep@unitelc.com> on 08/04/2008 01:10:03 PM

Subject: Regulation AA

Thank you for the opportunity to comment on the proposed change in regulation on credit card practices/fees.

Credit card companies have pretty much operated like your corner drug dealer that solicits victims by offering cheap or free drugs at the onset. Once they are hooked the price goes up and supply conditions change. Credit card companies do the same thing with their direct marketing, zero interest, payment schedules that encourage spending. Again, once your in, the program changes.

Credit card companies should not be allowed to arbitrarily raise rates especially in response to an alleged delinquency incurred by a customer with another card company. How is that fair to a consumer? The rates they are able to charge would have been considered high by loans sharks a few years ago. The victims are usually poor people that don't have the ability to payoff the entire balance; especially in current times where many are struggling just to make their car payment. How does an average person ever escape that when rates can go as high as 35%.

I think new regulations are in order and I think the entire industry should be scrutinized and new regulations developed to end their abusive policies.