

From: Janie Haskins
Subject: Regulation Z - Truth in Lending

Comments:

Apr 1, 2010

Comments for Federal Reserve Board
20th Street and Constitution Avenue NW
Washington, DC 20551

I don't kept debt, but have made a practice of using credit cards rather than carry a lot of cash. However, I pay and have paid my total balance off each month, never accumulating or paying interest on my accounts. No payment has been late, but still, Citi Bank did hike the interest rate on my account to 29.99% during the period before the new laws took effect. I complained but was told it was because my payment didn't get posted until the day it was due on one occassion. The problem was that even though I had sent it 11 days earlier, I noticed it had not been posted and contacted Citi representatives. They supposedly checked and said it was not in process. I then made a check payment via phone right then, and the representative supposedly made an entry to the system to return the mailed check, declaring and promising NOT to double process. Naturally they did cash both checks, and were not pleased when I demanded they return the thousands in double payment. Thus they hiked my interest rate to 29.99% should I even not pay the full amount.

This is the way businesses act, even though the taxpayers had to bail them out. This is not right in any manner, nor is the extreme interest rates they charge people who are making their payments on time. Please represent the public and make the right move.

Start the review of interest-rate hikes sooner, and strengthen them. Consumers faced huge rate hikes while waiting for the CARD Act go to into effect, and this provision is our only chance to have those rates reevaluated and reduced. We can't wait another year --- banks should review rate hikes as soon as the regulations go into effect this year. Also, banks must review the rate hikes to determine if they are still valid, and should be prohibited from coming up with new reasons for the increase.

Restrict the size of penalty finance charges. Penalty interest rates should be considered a 'penalty charge' and addressed by the rule. Set rules to limit penalty finance charges to levels that are reasonable and proportional to the cost of the violation.

Restrict penalty fees to the lower of 5% of the amount at stake, or \$10. Customers should never pay a penalty fee that is more than 5% of the amount at stake, and the Board also should adopt a low cap.

Keep the ban on inactivity, declined transaction and account closure fees. Customers are getting hit with new fees for not using their cards. The Board did the right thing to ban fees for actions that have no costs associated with them.

It is critical the Board issue the strongest rules possible to protect consumers, since the banks continually come up with new ways to get around the consumer-protection laws. I urge you to give me the protections I was promised under the CARD Act, and issue the strongest rules possible.

Sincerely,

Ms. Janie Haskins