

July 24, 2008

Dear Mrs Johnston,

The enclosed is a letter I sent to Bank of America, complaining about a deceptive sudden interest rate hike.

I would deeply appreciate this being included as evidence re Regulation AA - Unfair Deceptive Acts or Practices - Docket No R1314. I dearly hope this regulation of the credit card industry can be soon passed!

Sincerely,

Mrs. Carol B. Akin



Ms. Carol Akin
1226 Palmer Ave.
Larchmont, NY 10538

(Sorry - My printer was out of action)

Mrs. Carol B. Akin
1226 Palmer Avenue
Larchmont, New York 10538

January 13, 2008

FIA Card Services NA
P.O. Box 17151
Wilmington, DE 19850

Dear Sirs,

I am in receipt of your letter entitled "Important Notice of Change in Terms" of my credit card agreement with Bank of America. My card number is #

Some of the changes are normal changes, worded as many other term changes are in other credit cards.....but then there is the notice of a ridiculous "Annual Percentage Rate Increase" to 24.99% !! There follows a statement to this effect:

"Rejection Instructions for Annual Percentage Rate and Default Pricing Amendments".

These instructions explain that in order to avoid a rate increase, I have to write to you by January 18, 2008 ----"and state that you reject the change."!!!! This is my letter.

To have to write "Rejection Instructions" for a *ludicrously* high rate increase is both annoying and inconvenient. I'm sure you trust that most cardholders will not read this overly-detailed information in fine print, that begins with normal amendments, and thus will unwittingly acquiesce to this rate increase. You will counter any legal arguments with the fact that you gave them notice, and they did not reply. It is intentionally tricky and underhanded. Who would knowingly and willingly accept a rate increase, when given a choice??!! I was very grateful that I took time to carefully read your letter!

Later on, there's another little announcement, hidden in the verbiage:

"If you use your account by making a Check Cash advance, Direct Deposit or if you buy Cash Equivalents on or after January 18, 2008, the non-promotional APR....will be a higher corresponding APR of 19.99%. Use of your account is acceptance of this APR increase for new Check Cash advances, Direct Deposit or Cash Equivalents."

For me, 19.99% is very, very high, (although 25% is clearly insane) considering what the original terms of the credit card were when I first applied for your credit card.. What it really implies is, regarding the above uses, the rates are skyrocketing and I'm stuck if I use my card as above... I'm damned if I do, and damned if I don't.

Therefore, **BE NOTIFIED THAT I CATEGORICALLY REJECT THIS RATE HIKE!!**

I will assiduously work to either pay off or transfer my credit balance elsewhere. Even having to consider a 24.99% APR is offensive, an insult to your good, long-term customers, and is clearly an out-and-out effort to be greedy. This comes in the face of an economic nightmare for the consumer, of which you are completely aware. Gratefully, I have been able to pay my monthly credit card bills. But there are many cardholders, including young people trying establish their lives and who are responsible, who are going to be squeezed by paying a 25% interest rate on whatever their card balance is. Most cannot afford to pay off the balance. How, in good conscience, can you do this?

Milking customers so painfully is a far cry from your card promotional materials that truly sounded like you're there to serve them!

Until now, I have respected Bank of America, and had a good relationship with it. I felt you were honest, open and fair. I signed up because I respect the Principia College that promoted the Bank of America card, and wanted to support the college.

Although I will continue to appreciate Principia as an excellent educational institution, I no longer feel the respect I did for Bank of America. I will no longer recommend your card or any association with your organization, as I have done in the past.

I'm very disappointed with the approach, the effect on me if I hadn't read the fine print, and the ultimate decision-makers at BoA to have taken this calculated route to greediness at the expense of their customers. I will be one only as long as it takes to eliminate my balance.

Sincerely,



Mrs. Carol B. Akin

Cc: Senator Charles Schumer - D - NY
Senator Hillary Clinton - D - NY
Principia College
Better Business Bureau

The following information pertains to your account ending in 5212.

IMPORTANT NOTICE OF CHANGE IN TERMS

This document contains important information regarding changes to the terms of your Credit Card Agreement ("Agreement") with us. Please read this document carefully and keep it with your Agreement. Except as amended below, the terms of your Agreement remain in full force and effect. In the event of a conflict, the terms in this Important Notice of Change in Terms ("Notice") will prevail.

Information included in this Notice:

- CASH ADVANCE ANNUAL PERCENTAGE RATE INCREASE
- RECLASSIFICATION OF BALANCES AND TRANSACTIONS
- DEFAULT PRICING
- HOW WE CALCULATE VARIABLE RATES
- TRANSACTION FEE FINANCE CHARGES
- ADDITIONAL CHANGES TO YOUR AGREEMENT RESULTING FROM RECLASSIFYING BALANCES AND TRANSACTIONS
- ARBITRATION AND LITIGATION

CASH ADVANCE ANNUAL PERCENTAGE RATE INCREASE

This APR increase does not apply to Purchases, as defined below.

Summary: We are increasing your Annual Percentage Rate (APR) for Check Cash Advances, Direct Deposits, Cash Equivalents, ATM Cash Advances, Bank Cash Advances, Overdraft Protection Cash Advances and Returned Payments. This will result in a higher APR for new and outstanding balances for these types of transactions. This change will not increase any promotional rates that may currently be applied to your account. You may reject the APR increase by following the Rejection Instructions described below.

Amendment: Effective on the first day following your statement Closing Date that occurs on or after January 19, 2008:

Your APR for Check Cash Advances, Direct Deposits, Cash Equivalents, ATM Cash Advances, Bank Cash Advances, Overdraft Protection Cash Advances and Returned Payments is changing to a corresponding ANNUAL PERCENTAGE RATE of 24.99% (Daily Periodic Rate (DPR) of 0.068465%).

We increased your APR due to the balances and APRs on this account.

Rejection Instructions for Annual Percentage Rate and Default Pricing Amendments:

If you do not wish to accept this APR increase and the Default Pricing change described in the section of this Notice titled, "Default Pricing", you must meet all of the following requirements:

1. Write to us at FIA Card Services, N.A., P.O. Box 17151, Wilmington, DE 19850. Clearly print or type your name and full credit card account number and state that you reject this change. You must give notice in writing; it is not sufficient to telephone us. Send this notice only to the address in this paragraph; do not send it with a payment or any other type of customer service request. **This mailbox is ONLY for rejection of the Annual Percentage Rate and Default Pricing Amendments.**
2. We must receive your letter by January 18, 2008 or your rejection will not be effective.
3. However, if you use your account by making a Check Cash Advance, Direct Deposit or if you buy Cash Equivalents on or after January 19, 2008, the non-promotional APR for all new Check Cash Advances, Direct Deposits and Cash Equivalents will be a higher corresponding ANNUAL PERCENTAGE RATE of 19.99% (0.054767% DPR). Use of your account is acceptance of this APR increase for new Check Cash Advances, Direct Deposits and Cash Equivalents.

RECLASSIFICATION OF BALANCES AND TRANSACTIONS

Summary: As of January 19, 2008, we are restructuring your existing account balances and how we classify new transactions on your account. With this change we will no longer refer to transactions by "balance category". Instead, we will refer to transactions as "Balance Transfers", "Cash Advances" or "Purchases". The chart below shows the previous balance category label as well as the newly-defined classifications. Please note that Cash Advances will include Cash Equivalents which had previously been classified in Category C, and will also include Check Cash Advances and Direct Deposits which were previously classified in Category A. We will reclassify existing Category D balances as a Balance Transfer, Cash Advance or Purchase, as appropriate.

Previous Category Classification

Category A – Balance Transfers and Check Cash Advances
Category B – ATM Cash Advances and Bank Cash Advances
Category C – Purchases
Category D – Other Balances

Newly Defined Classification

Balance Transfers
Cash Advances
Purchases

The Amendments set forth in this Notice will not increase any promotional rates that may currently be applied to your account. As a

HOW TO USE YOUR ACCOUNT

You may obtain credit in the form of Balance Transfers, Cash Advances, or Purchases by using credit cards, access checks, your account number, or other credit devices.

“Balance Transfer” means a transfer of funds to another creditor initiated by us at your request. A Balance Transfer does not include a transaction that is otherwise a Cash Advance. Balance Transfers include Transaction Fees and adjustments associated with any Balance Transfer.

“Cash Advance” means the use of your account for a loan obtained:

- (1) at an automated teller machine (“ATM Cash Advance”);
- (2) by a transfer of funds to a deposit account initiated by us at your request (“Direct Deposit”). A Direct Deposit does not include an Overdraft Protection Cash Advance or a same day online funds transfer;
- (3) at any financial institution (e.g., to obtain cash, money orders, wire transfers, or travelers checks), by a same day online funds transfer to a deposit account, and at any non-financial institution (to obtain cash) (“Bank Cash Advance”);
- (4) as part of an Overdraft Protection Program – a transfer of funds to a deposit account pursuant to an overdraft protection program (“Overdraft Protection Cash Advance”);
- (5) to buy “Cash Equivalents” (i.e., foreign currency, money orders or travelers checks from a non-financial institution, or person to person money transfers, bets, lottery tickets, casino gaming chips, fines or bail bonds) with your card;
- (6) by an access check you sign as drawer (“Check Cash Advance”);
- (7) for any payment you make to us that is returned to us unpaid for any reason, including the related finance charges (“Returned Payment”).

“Cash Advance” includes Transaction Fees and adjustments associated with any Cash Advance.

“Purchase” means the use of your card or account number to:

- (1) buy or lease goods or services;
- (2) buy wire transfers from a non-financial institution (“Wire Transfer Purchase”);
- (3) make a transaction that is not otherwise a Cash Advance.

“Purchase” includes Account Fees, as well as Transaction Fees and adjustments associated with any Purchase.

- The following definitions in the section of your Agreement titled, *Words Used Often in this Agreement* are amended as follows:

“Access check” means a check we provide to you to obtain credit on your account.

“Default Rate” means the APRs which may be applied to Balance Transfers, Cash Advances, and Purchases without further notice in certain instances of your default, as described in the section titled, *Annual Percentage Rates*.

“New Balance Total” means the total billed amount as of the Closing Date of a billing cycle, as shown on your monthly statement. To determine the New Balance Total, we start with the total balance at the beginning of the billing cycle, which is the “Previous Balance”. Then we subtract payments and credits. Then we add Balance Transfers, Cash Advances, Purchases and Adjustments, and finance charges.

“Promotional Offer” means limited time introductory or promotional offers on certain Balance Transfers, Cash Advances, or Purchases at APRs that are lower than the Standard Rates for those features (“Promotional Rates”) and may be subject to other conditions. Promotional Offers may also include limited time introductory or promotional transaction fees (“Promotional Fees”) which may be higher or lower than the standard fees provided in the section titled, *Transaction Fee Finance Charges*.

“Standard Rate” means the APRs normally in effect for Balance Transfers, Cash Advances, and Purchases.

“We”, “us”, “our”, and “FIACS” mean FIA Card Services, N.A., also known as Bank of America.

DEFAULT PRICING

Summary: A provision for Default Pricing is being added to your account as described in the Amendment below. This Amendment does not change your Standard or Promotional APRs at this time. In the future, if you have had two instances of not paying on time and/or exceeding your credit limit in a rolling twelve month period, your account may be default re-priced to a higher rate without further notice. In the event your account becomes default re-priced, any APRs increased as a result of the re-pricing will be reduced a minimum of two percentage points after six consecutive months of on time payments, provided you pay at least the minimum amount due and your balance does not exceed the credit limit during the same period. You can avoid having your account default re-priced by paying on time and not exceeding your credit limit. You may reject the addition of Default Pricing by following the Rejection Instructions in the section of this Notice titled, *“Cash Advance Annual Percentage Rate Increase”*. These Default Pricing provisions do not prevent or limit our ability to amend your Agreement in the future, including otherwise increasing any or all of your APRs to rates which exceed the Default Rate.

Amendment: Effective on the first day following your statement Closing Date that occurs on or after January 19, 2008, the Default Pricing provision is added as follows:

Default Pricing: We may increase the APRs on all new and outstanding Balance Transfer, Cash Advance, and Purchase balances up to the Default Rate, without giving you additional notice, each time you have two “default re-pricing events” in any twelve rolling consecutive billing cycles. A default re-pricing event means: (1) you fail to make any Total Minimum Payment Due by its Payment Due Date; or (2)

HOW WE CALCULATE VARIABLE RATES

VARIABLE RATE INFORMATION

We will use the following variable rate formula for variable Standard Rates, variable Default Rates and variable Promotional Rates. All variable rates are calculated by adding together an index and a margin.

This index is determined on the last business day of each month ("determination date") and is the highest U.S. Prime Rate as published in the "Money Rates" section of The Wall Street Journal at any time within the immediately preceding three months, including the month in which the index was determined. The index used to calculate these variable rates is 8.25% and was determined on July 31, 2007.

An increase or decrease in the index will cause a corresponding increase or decrease in your variable rates on the first day of your billing cycle that begins in the same month as the determination date. An increase in the index means that you will pay higher periodic rate finance charges and have a higher Total Minimum Payment Due. If The Wall Street Journal does not publish the U.S. Prime Rate, or if it changes the definition of the U.S. Prime Rate, we may, at our sole discretion, substitute another index.

TRANSACTION FEE FINANCE CHARGES

Summary: We are changing how we refer to certain transaction fees currently applicable to your account; these changes do not increase the amount of any transaction fees currently applicable to these transactions.

Amendment: Effective on January 19, 2008: Direct Deposits will continue to have a transaction fee which currently remains equal to the amount of the transaction fee for Balance Transfers. Wire Transfer Purchases will continue to have a transaction fee which currently remains equal to the amount of the transaction fee for Cash Equivalents. However, these fees will be referenced individually in your Agreement. Your Overdraft Protection Cash Advance fee currently remains unchanged.

ADDITIONAL CHANGES TO YOUR AGREEMENT RESULTING FROM RECLASSIFYING BALANCES AND TRANSACTIONS

Summary: We are modifying certain terms of your Agreement to reflect terminology and account usage changes described in the section of this Notice titled, "*Reclassification of Balances and Transactions*".

Amendment: Effective on January 19, 2008, we are revising the following sections of your Agreement:

ANNUAL PERCENTAGE RATES: This section of your Agreement will provide the Standard Rates, Default Rates and Promotional Offers applicable to Balance Transfers, Cash Advances, and Purchases.

- "Balance Transfers" will have the non-promotional APR applicable to "Category A Balance Transfers and Check Cash Advances".
- "Cash Advances" will have the non-promotional APR applicable to "Category B ATM Cash Advances and Bank Cash Advances".
- "Purchases" will have the non-promotional APR applicable to "Category C Purchases".
- The APR for "Category D Other Balances" will no longer apply to your account.

Promotional Offers: From time to time we may make Promotional Offers on certain Balance Transfers, Cash Advances, and Purchases. When a Promotional Offer ends, its Promotional Rates will terminate. Any Balance Transfer, Cash Advance, or Purchase balance subject to that Promotional Offer will return to its respective Standard Rate or Default Rate as applicable. In addition, we may from time to time offer variable Promotional Rates on your account using the Variable Promotional Rate formula described in this Notice.

CALCULATION OF PERIODIC RATE FINANCE CHARGES: We are replacing this section of your Agreement as follows: We calculate Periodic Rate Finance Charges by multiplying each Balance Subject to Finance Charge by its applicable DPR and that result by the number of days in the billing cycle. When Periodic Rate Finance Charges accrue on a Balance Transfer, Cash Advance, or Purchase balance, those finance charges become a part of that respective Balance Transfer, Cash Advance, or Purchase balance.

WHEN PERIODIC RATE FINANCE CHARGES BEGIN TO ACCRUE and GRACE PERIOD: References to "Category A Cash Advance(s)" and "Category A" are replaced with "Balance Transfer(s)"; references to "Category B Cash Advance(s)" and "Category B" are replaced with "Cash Advance(s)"; references to "Category C Purchase(s)" and "Category C" are replaced with "Purchase(s)".

CALCULATION OF BALANCES SUBJECT TO FINANCE CHARGE

Average Balance Method (including new Balance Transfers and new Cash Advances): References to "Category A balances and Category B balances" are replaced with "Balance Transfers, Cash Advances, and for each Promotional Offer balance consisting of Balance Transfers or Cash Advances". Also, references to "Pre-cycle Cash Advance balance" are replaced with "Pre-cycle balance"; and, references to "Cash Advances" are replaced with "Balance Transfers and Cash Advances".

Average Daily Balance Method (including new Purchases): References to "Category C balances and Category D balances" are replaced with "Purchases and for each Promotional Offer balance consisting of Purchases". Also, references to "transactions" are replaced with "Purchases".

PURPOSES FOR USING YOUR ACCOUNT, YOUR PROMISE TO PAY, and YOUR CREDIT LIMIT/YOUR REVOLVING CREDIT LINE: References to "Cash Advances" are replaced with "Balance Transfers and Cash Advances".