

From: Murali Thoota
Subject: Regulation Z - Truth in Lending (Credit Card Act)

Comments:

Thanks for putting these rules and regulations to safeguard the customer. I am not sure if the following were ever considered. Please review these, and include them if they are not covered elsewhere:

The credit card companies should not be allowed to increase rates, decrease credit line, or take other adverse action against a customer within 3 months of proposing a promotional offer to him/her.

If the credit company thinks that the customer is really good and is credit worthy for a promotional offer, let it not take any adverse action on such customer for 3-6 months. The current practice is that they offer the promotional rate, and then once the customer takes advantage of that, they make him stuck with them - even if the credit card company changes the terms and conditions that adversely impact the customer.

The credit card company can't decrease the credit line of a customer more than 4 times in a year.

The credit card companies should be able to evaluate the risks associated with the customer, and hence should not decrease the credit lines as per their own intents and purposes several times a year. They cannot play with the customers with increasing and decreasing the lines without future notice. The customers plan and allocate their future expenses based on their credit limits. Any decrease in the credit lines due to unintended means shatters their plans.

The credit card companies should provide the customer, access to information that they are sharing with the credit bureaus.

The credit card companies report the customers' credit worthiness to the credit bureaus. The person that is ultimately impacted by such reporting is the customer. If the credit card companies can put up such information for review (which the customer can review, and dispute if required) would be of great help. The credit card companies can exclusively do this on their Websites, under the customer's account information.

Thanks,

Murali Thoota