

March 21, 2005

Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street  
Constitutional Ave, N.W.  
Washington, D.C. 20551

Re: Public Comment concerning "Truth In Lending Act" Reg. Z

Dear Honorable Board Members:

The Truth In Lending Act was designed to better inform consumers about lending practices and provide an opportunity for the consumer to compare competing rates, terms, and conditions offered in a free market place. With increasing personal bankruptcies due to poor financial decision making, it is now a time to strengthen Reg. Z disclosures.

With over 22 years of financial services experience and as a personal financial advisor, I would like this board to consider my recommendations to improve consumer knowledge of modern day lending practices:

(1) Credit Card companies and Open End Revolving Equity Mortgage lenders should be required to disclose to the consumer the required length of time it will take and the projected APR and total payments for minimum required monthly payments. This should be disclosed as an example in the lenders initial disclosure when soliciting a new borrower and should also be included with each monthly statement.

Example: \* These are not real numbers - just examples - plug in real #'s to determine actual payoff period and total interest paid.

Balance \$5,000.00

Minimum payment \$100.00

APR 18%

Projected Payoff Date with Minimum payment: 2035

Total Projected Interest payments to Projected Maturity with Minimum Payment/Current payment history: 15,000

My experience tells me that borrowers are often fooled into thinking that their minimum payments will cause an outstanding balance to be paid off earlier than the time value of money dictates. Lenders should be required to disclose the projected maturity with not only the Minimum payment but for all payments received - rolling that information over each month depending of purchases and payments. With the advance of technology, a financial computer

program can calculate these numbers in a nanosecond, giving consumers better information for making credit card and equity loan purchase decisions.

(2) When a lender changes the terms and conditions of a lending agreement, a full disclosure and comparison of past and present financial disclosures should be provided so that the consumer can shop for better terms and conditions.

(3) Disallow credit card lenders to require "Arbitration", but instead allow a company 60 days to address and respond in writing with a detailed explanation of their position for a disputed activity. Companies should have internal Arbitration departments that seek "Truth In Lending" and be granted the authority to settle outstanding consumer complaints. Arbitration departments would report to an Audit Committee headed up by an active member of the Board of Directors. If no joint settlement can be reached, the consumer retains the right to pursue a legal course of action, including Class Action Law Suites when appropriate. Lenders should not have the right to deny a persons legal rights.

(4) Disallow credit card companies the right to dispute a bankruptcy filing when they use any criteria other than Debt/Income ratio's and Credit History when deciding who gets a credit card. Too often, predatory companies send unqualified applicants credit card authority....thus increasing personal bankruptcies which require subsidized interest rates from qualified borrowers.

Thank you for your consideration during this period of public comments for your review of Reg. Z - "Truth In Lending."

Sincerely,



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\* Please do not sell or provide my personal information to any third party. Thank You.