

From: "Neil Beckman" <neil.beckman@gogebicrangebank.com> on 06/22/2007 02:00:02 PM

Subject: Truth in Lending

Dear Sir or Madam:

I have to say that this is another example of trying to help the consumers and actually hurting them. The information that will have to be added to disclosures is just going to ensure once again that people will not read them.

It takes about a month now to get through the 15 page disclosures and it is not possible to understand them. Nor do they care at the time of opening.

As usual you are approaching this the wrong way.

Create a simple set of rules for card issuers.

- 1: Only allow them to raise rates for two reasons, default, they have not made any payment in 90 days and a minimum of 6 payments per year that are at least 30 days late.
- 2: Specifically state the maximum fee a card holder can be charged per year. \$ 50 would be the maximum allowed per account.
- 3: Only allow set maximum late fees of \$ 25 to \$ 50 per month.
- 4: Eliminate all other fees that the card issuers can charge.
- 5: Have a minimum grace period of 10 days on all payments before a late charge can be assessed.
- 6: Allow a 30 day grace period before interest can be charged and they are not allowed to go back and accrue interest for that first 30 day period after the fact.
- 7: Mandate the accrual method used for interest calculations for the industry.
- 8: Set an overlimit charge of \$ 25 per incident.

These issues would fit on a post card and would absolutely work. IF it is not written that they can do it, they can't do it.

Now, isn't this a much more simple method.

I just read your proposal and it is impossible for me to read being in the industry so I know no other citizens understand what you are doing.

This is job security for your department and nothing else.

Sincerely