

From: Victor Barry <victor_barry@hotmail.com> on 06/18/2007 07:20:02 PM

Subject: Truth in Lending

Dear Sir or Madame,

I am very pleased to see that the government is reviewing the credit card industry. I have had credit cards for the last 31 years and I must say that the industry as a whole has degenerated to a low point of greed and dishonesty. I have good credit and too many credit cards, however, protecting my credit rating seems to be more difficult by the day. I have the money to pay my bills but find it more and more difficult to keep up with the variety of tricks the credit card companies come up with. I do believe they are trying to make their customers miss payments so they can extract their exorbitant fines and fees.

1. I took a 0% loan from Bank Of America last December using a check they mailed to my home. I went to my sister's for a Christmas holiday. Before I left I set up an automated payment from my bank to my BoA card to cover more than the minimum due. When I returned from my holiday I found that the loan was against a new credit card number and not the account I had believed I had taken the loan against. I had over paid my one account and not paid the account that I truly owed. It took three phone calls and a few hours to get BoA to transfer the funds between the accounts and repair the interest rate back to 0%. I believe they purposely misled me to confuse the accounts - I did not want a new account, nor had I asked for it. Perhaps, had I not had a mortgage with them or the ability to pay the loan off in full they would not have been as willing to fix a problem I believe they had helped to create. I also have no idea why they thought I needed more than one credit card from them. They really seem to work very hard at figuring out ways to confuse their customers on purpose.

2. No one should have to pay 33% interest rates. I travel every week for work. I did make a mistake and paid American express late on my personal credit card. I've been with them for years and also have a corporate account that I run more than \$10,000 per month through. My personal card had a quarterly reoccurring charge from a on-line game that I had forgotten about. I had assumed there were no charges on the personal account and had missed this small charge (~\$20). Amex, like all these companies, mail so much junk mail to me that I do sometimes miss the bill from the junk. (Others have taken to disguising their bills to look like junk mail!) When I discovered this mistake, admittedly on my part, it had been two months. Amex had hit me with fines greater than the original charge and pushed the interest rate up to 33%. I called to complain and they said they would fix the rate for me since I was such a "valued, long-term" customer. I had already paid the card off via a bank transfer before the call and told them to cancel the account. The fact that they would charge anyone 33% interest was disgusting to me. There are people who are not in a position to pay off high balances when they make simple mistakes. (8% to 33% in one jump?) The fact that they did this to anyone was my reason for canceling the card permanently. The problem is all of the credit card companies do this same practice. Usury used to be against the law.

3. I had taken a 0% loan a few years back from one of the credit card companies and mistakenly had them deposit the money into my credit card account with Citibank instead of my linked checking account with Citibank. When I asked Citibank to transfer my money from my credit card to my linked checking account they said they would only do this with a 3% fee. This fee amounted to \$600 to move my own money. I refused. This was not a loan it was the transfer of my money from one account to another. They transferred my money from the checking account to the credit card with no problem, but the other way required a pound of flesh. The fee was designed for cash advances and this was not a cash advance. The only way to get my money without a fee was via check. I asked them to send the check. It took 6 weeks to receive a check for the \$20,000. They held my money, interest free, for 6 weeks. (Moving sums of money like \$10,000 to \$20,000 was not unusual on this account. I had been with Citibank for years.) Should be against the law to abuse customers like this.

4. Since I travel every week for work I have set up my bank to pay my creditors automatically every month for an amount substantially over the minimum. This worked for a long time with a Chase credit card until just recently when the calendar shifted around a bit and their due date move up 2 days due to a weekend and the bank shifted the other direction. The money arrived at Chase before the close of the billing cycle, but a day after the due date. (It was only one day off from the very same check the previous month!) So this money fell into a hole. It was too late for the current bill and too early for the next. Had I not caught this I would have paid them every month in excess of the minimum and still been late every month with fines. This should be against the law. I have also had it where I paid a day too early and they credited the payment to the previous month and declared me late on the current month (this is why I shifted my payment to the middle of the month, but then got caught with the black hole period). They think this is some sort of game. Now, the only thing I can do is I pay my credit card twice a month while I am on the road, hoping that one of the payments will be within the few day window where is it not too early or late (an ever shrinking window). Doesn't this seem foolish? If only it were a game. It is not that I can't pay my bills, it is that I don't have the ability to play their timing game. I am old enough to remember when it was so much easier. The only explanation for making it this difficult is unbridled greed.

I have moved to my debit card. I have given up with credit cards. By then end of the year I will have no debt. I guess that is one way to win.

Best wishes with your attempt to reign in the greedy, cheating bastards.

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