

**From:** Buff Harding <bjharding@aol.com> on 07/23/2008 06:20:04 PM

**Subject:** Regulation AA

Dear Board:

Our family is what the credit industry erroneously refers to as "dead beats." Not because we don't pay our bills but because we always pay off the balance. But there have been times when we've used one of those offers of 0% interest for a balance transfer good for 6 or 12 months. In this particular case we had a loan from Toyota for a new Prius and we transferred that balance to the credit card with 0% interest. This didn't stop the credit card company from gaming how our payments were dolled out. While we paid something like \$1000 on the balance, the company credited almost the entire amount to the transferred 0% interest part, and only the minimum to the regular monthly charges. This allowed them to charge interest on on the outstanding amount from our monthly normal charges like grocery shopping or gasoline. Of course it took two payment cycles for this to be obvious to us and then we had to argue with the credit card company about how our payments were to be allotted. They didn't want to work this out at all. We offered to write two checks to make it clear how much goes were but they couldn't handle that. We are lucky because we were able to tell the credit card company (Discover Card) screw off. We used yet another 0% balance transfer to pay off the entire balance and tell them to close our account. Of course then they didn't want us to do that but they couldn't offer us any reason not to because they weren't going to credit our payments per our wishes.

The most consistent problem we have had has been with MBNA. As I mentioned above we always pay off the balance of our credit cards. Over the years MBNA started mailing out their bills later in the billing cycle and then would accuse us of not paying on time and charging a late fee. Luckily because we never carried a large balance we could just threaten to pay off the balance and close the account which would effectively shut them up and credit our account for the late fee. But that's us and most people don't have that luxury. Now I just pay the bill as soon as it comes. I think there should be a rule based on the post office cancellation stamp date. Much like our tax return, it should be based on the day it was mailed and thus avoid any unforeseen postal delivery problems. I could have put my payment in the mail today but if I live in Corpus Christi while Hurricane Dolly was rolling through, it's obviously going to take a few days longer to get delivered.

Thank you,  
Buff Harding, Jr.