

**From:** Susan HACK <sdhack@insightbb.com> on 07/31/2008 09:30:08 PM

**Subject:** Regulation AA

I recently read an article in USA Today that provided this e-mail address and I think I have an example of an unfair practice by a credit card company. In April 2006 I had a payment that was credited to my Bank of America Mastercard account one day late and it was my only late payment on a Mastercard account that I opened in 1983. Bank of America then raised my interest rate to 24.99% and my statement indicated "Annual percentage rates on your account have increased in accordance with the default pricing section of your account agreement".

Near the end of last year I received a Notice of Change in Terms for my Bank of America Mastercard that were to be effective April 19, 2008. Under the Default Pricing section was the sentence "In the event your account becomes default re-priced, any APRs increased as a result of the re-pricing will be reduced a minimum of two percentage points after six consecutive months of on time payments, provided you pay at least the minimum amount due and your balance does not exceed the credit limit during the same period". I thought this was good news because I had been paying at least the minimum amount due on time every month and I was not near my limit.

Last week I called Bank of America because the 24.99% interest rate on my Mastercard had not been lowered and it was my understanding it should be lowered with the changes effective April 19, 2008. The lady I spoke with at Bank of America told me "my account had not been default re-priced" (even though my April 2006 statement indicated the interest rate was raised in accordance with the default pricing section of my account agreement). She told me she could not lower the interest rate on my Bank of America Mastercard because I have a balance on another credit card that is more than 60% of my credit limit. It is true I do have another credit card with a balance of more than 60% of the limit, but I make my payments on time every month and I am not over my limit. The balance on my Bank of America Mastercard is less than 60% of the limit and I carry no balance on any other credit cards besides these two. The lady at Bank of America told me "they don't like their customers to carry a balance of more than 60% of a credit limit" and that is their justification for continuing to charge me such an outrageous interest rate. I don't have a history of credit problems - no bankruptcy, no delinquencies, no default re-pricing on any other account. I have a stable employment history - I have worked at the same place for over 20 years. I stopped using my Bank of America Mastercard when they raised my interest rate and I so want to get it paid off and cancelled, but the high interest rate makes that a lot more difficult; of course, that is what Bank of America is counting on.

I feel sure this type of practice and some others I have read about have pushed many people into bankruptcy and foreclosure. I believe credit card companies are just looking for any excuse they can find to raise a customer's interest rate and I just don't think that is fair or ethical. Please, please do something to stop credit card companies from treating consumers the way Bank of America has treated me.

Sincerely,  
Susan D. Hack