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Comments:

I want to comment on Citibank's current practice of defining a payment as "late", and thus assessing a late fees - and ask if the new regulations as proposed address the situation. I currently have a Mastercard issued by Citicard, a division of CitiBank. Each month, they have three dates: a payment due by date, a statement cut off date, and a statement printing date. If a payment is not received by the "due date", but before the "cut off date", it is defined as late but is still posted to the account. This means that the cardholder is assessed a \$39 late fee, but the payment is still posted and credited on the current statement. I make a substantial payment each month of several thousand dollars, on approximately the 12th to the 15th of each month. In most months, that payment does not arrive before the "due date", but it does arrive before the "cut off date". Thus, on each statement, a payment is shown and credited - and I still am assessed a "late payment penalty." I find it truly hypocritical to post a payment on a statement, but show it as "late", and thus assess a late payment penalty. My contention is that if a payment is late, it is late. It has missed the due date and should not be reflected in that month's activity. It should be reflected on the following month's activity - thus showing a current payment in that second period and thus meaning

that no late penalty is assessed in the second month. However, the way that Citicard plays with the due dates and posting, even though I make a payment every month, they post it as "late" every month and are thus able to assess that \$39 late payment penalty each month. If this new proposed regulation does not address the practice of playing with due dates, posting dates, and statement cut off dates, it should. Thank you.