

Thomas Chefalo <tchefalo@earthlink.net> on 06/12/2008 07:50:10 PM

Subject: Regulation AA

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Federal Reserve Board Email comments

Dear Email comments,

Household Financial, a major supplier of store credit cards, is a particularly unscrupulous company that needs regulation.

I made a \$300 purchase from Best Buy that promised no interest payments on their credit card if I paid the balance in 3 months. I had only to make a minimum \$10 payment each month. I had the money but decided to take advantage of the offer.

I made my first payment, \$100, and even though I sent the payment in 7

days before it was due, I was told my payment was late and that I would have to pay a late fee of about \$30. I told Household Financial

telephone representative that I had mailed the payment 7 days before it

was due. The telephone rep told me that I needed to mail the payment 15

days before it was due because the US Postal Service was unreliable and then lectured me about maintaining a good credit history.

(The address to which I mailed the payment was in Pennsylvania. Coincidentally I was corresponding with a window manufacturer in suburban Philadelphia by mail at the same time. My correspondence to that company took only 2 days.)

I told the phone rep I would not make the late payment fee and I mailed my 2nd \$100 payment 7 days before it was due. Again I was told it was late. I called Household Financial again, told them to cancel the credit card and paid of the rest of my legitamite balance, \$100.

Household Financial continued to bill me with late fee and penalty add one on top of the other until the fees were near \$200. They eventually sent it to collection. i never paid the anything to the collection agency but the so-called late payment is on my credit report. I have a

very high credit score so I really don't care though it is unfair and I have no real recourse to get the mark off my credit report.

Needless to say, I have not shopped at Best buy since then. I will never get another store credit card.

What I don't understand is how all this greed is supposed to be good

for the American economy. The credit card fees and penalties do not add any reall value to our economy other then lining the pockets of a few investors in these unscrupulous companies.

I am lucky. I am healthy, well educated and financially stable. I

purchased a house and got favorable rates on my mortgage, even with the
mark on my credit report. Others aren't so lucky.

Please enact the proposed credit card rules in R-1314!!!

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Sincerely,

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