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Comments:

Re: Bank of America using its failure to timely send a statement as a pretext for a five fold rate increase The Federal Reserve is doubtless aware that many credit card issuers offer balance transfers and/or cash advances at below market rates to draw new borrowers, obviously with the hope that many in the future will become full (i.e., exorbitant) rate borrowers. In February 2006, Citibank in its wisdom made a zero % till paid balance transfer offer. My wife and I in our wisdom accepted this offer by drawing down \$30,000 on 3/1/06 (Citibank account #5424-1810-0004-2478). Over the succeeding 28 months, we have assiduously and timely made each and every monthly payment in order to retain our 0% rate (feel free to check any or all of the 3 major credit bureaus to verify). Citi for its part (and to its credit) has to date fully honored its original 0% offer terms, though it doubtless is losing money on us. In February 2008, Bank of America made a similar offer at 2.99% per annum, and we took down \$24,00 in yet another interest arbitrage move. We received March, April, and May statements, and of course made timely payments. We did NOT receive another statement till LATE JULY, and it showed a rate change to 15.15%/annum (a more than 5 fold increase) and a late charge. When I contacted B of A customer service, a "Chanel" in

Arizona responded to me in a way that made it clear she was reading from a prepared script. She assured me her supervisor, a "Sara Davis", would parrot her every response. Among Chanel's inanities was a statement that I'm obligated to track our account daily on the internet to search for any billing statement(s) we may not have received. I pointed out that the card agreement contains no such provision, and that B of A is obligated to send us timely statements, but she continued reading from her prepared script. Realizing that this "mysteriously missing statement" situation was beginning to take on the aroma of a possible pre-planned scam, I ended the conversation and did the following: 1) I computed the amount properly due at 2.99% thru 8/1/08 (i.e., \$23,550.68) and remitted that amount in a bank cashier's check to B of A card services. 2) I wrote the B of A Chairman and CEO Kenneth D. Lewis informing him of events, and asked him to instruct card services to accept my correct payment and immediately close the account (#4264-2832-9436-3606). 3) I complied with the "Billing Rights" provision of the card agreement by notifying FIA Card Services (whoever that is) in Wilmington, Delaware. Needless to say, all 3 of the above were sent certified mail, return receipt requested to preclude the "didn't receive it, don't know anything about it" response. Since these letters were sent only 2 days ago, I don't yet have the expected stonewall form letter responses. The "stick to the script" responses I received from "Chanel" strongly suggest that B of A is expecting more than a few inquiries like mine. This "mysteriously missing statement/jump the rate" situation is beginning to have the aroma of a possible scam to suck in new borrowers at a teaser rate and then create a pretext to stiff them. What B of A may not have counted on (at least in our case) is that we have ready access to enough cash to fully pay off any conceivable obligation, and more importantly that we have the backbone to stand up to dubious tactics. The Fed is doubtless aware of slippery "bait and switch" tactics that have long been seen in our economy. It appears that Bank of America may have a "bait and stiff" game going. It's just this kind of situation we hope the Fed addresses and corrects. Thank you.