

**Subject:** Regulation AA

To: Fed.  
Chairman: Ben  
Bernanke,

Dear Chairman  
Bernanke,

Thank you asking  
us consumers to  
send you our  
complaints and  
suggestions.

After all, we are  
the people who  
use these credit  
cards.

Unfortunately, I  
was not aware  
that we were able  
to do this until it  
was brought to  
my attention by a  
friend and fellow  
citizen. I agree  
with her letter in  
every single point.

SOMETHING  
DRASTIC HAS  
TO BE DONE TO  
CURTAIL THE  
LEGAL WAY  
THAT CREDIT  
CARDS CAN  
PUT  
CONSUMERS IN  
TERRIBLE  
POSITIONS  
WHEN THEY  
ARE HAVING  
ENOUGH  
TROUBLE

SOMETIMES  
EVEN MAKING  
THEIR  
OUTRAGEOUSL  
Y HIGH  
MONTHLY  
PAYMENTS IN  
SOME CASES.  
PLEASE  
CONSIDER THE  
FOLLOWING:

**1. Please make  
the credit card  
industry's  
"Universal  
Default" illegal.**

The banks are now saying they have the right to raise any consumer's credit card rates "if" they "feel" that maybe that consumer "might not" repay us - even though this consumer has always paid them in the past; and has always paid them on time. This is so one sided, and arbitrary that it should be abolished. It is more than "unfair practice" - it's a blatant "dirty trick" and is a legal way to charge any rate they please.

**2. Please  
reinstate a**

**national "Usury Law", setting reasonable interest rate limits on how much banks can charge us consumers.**

These banks spent millions of dollars lobbying all those state legislators that used to have sensible usury law limits on interests rates.

Today it seems like open season, allowing each bank to squeeze us until we go bankrupt.

3. Mr.

**Bernanke, please require all credit card companies to change their monthly billing statement**

to include, (this statement under the amount of the minimum payment): "your balance of (xxx dollars) at our locked in current interest rate of (xx percent) will take you (xxx months) to pay off.

This simple full disclosure

statement is absolutely necessary, in today's environment.

**4. Please change banking regulations so their credit card department cannot change our perceived rates at any time they want, for any reason they can dream up.** It has

become such a "one sided" contract that is should be made illegal. These credit card company's play nasty games by putting their disclosure notice in such purposely confusing and deceptive legal jargon; and such small print that most consumers, especially those with compromised eyesight can neither understand nor even read it due to the faint, tiny print and rarely get to the end of their statement. That is grossly unfair.

**5. Please require all 3 Major Credit Report Bureaus to also give consumers their FICO Scores free.** We should NOT be required to pay for something that belongs to us and have a right to see. After a long fight in 2003, we finally received the right to get a copy of each of our 3 credit reports free once a year. Now, can you also make them give us their version of our FICO Scores free once a year?

**6. I strongly support all the following five (5) new consumer protections listed on your website, and itemized below.**

Ø Banks would be prohibited from increasing the rate on a pre-existing credit card balance (except under limited circumstances)

and must allow the consumer to pay off that balance at the same rate over a reasonable period of time.

Ø Banks would be prohibited from applying payments in excess of the minimum in a manner that maximizes interest charges.

Ø Banks would be required to give consumers the full benefit of discounted promotional rates on credit cards by applying payments in excess of the minimum to any higher-rate balances first, and by providing a grace period for purchases where the consumer is otherwise eligible.

Ø Banks would be prohibited from imposing interest charges using the "two-cycle"

method, which computes interest on balances on days in billing cycles preceding the most recent billing cycle.

Ø Banks would be required to provide consumers a reasonable amount of time to make payments.

I would respectfully add a couple more requirements: banks/credit card companies would also be required:

Ø To **NOT raise your interest rates unfairly** (example; **from 6.99% to 29.9%\***)

due to being LATE ONE PAYMENT OR FOR HAVING INCORRECT COLLECTION ACCOUNTS RECORDED WITHOUT NOTIFYING THE CONSUMER FIRST. That one late payment could be legitimate (consumer could

be ill, in the hospital, or some other LEGITIMATE reason why the consumer could not have made the payment on time).

Ø I believe that **ALL THREE CREDIT BUREAUS should be set up to where you are able to contact A LIVE PERSON** if you find a major discrepancy on your credit report (like I did). I tried to reach them by telephone, by email, or chat, and **they literally MAKE IT IMPOSSIBLE to reach a LIVE PERSON**. In the meantime, your credit is going down the toilet and is screwing up ANYTHING you might want or need to do with those inaccurate items on the credit report! **THERE SHOULD BE A LAW that EACH CREDIT BUREAU has LIVE PEOPLE to take calls from**

consumers who have an URGENT problem (such as incorrect collection items or similar problems) that are negatively affecting their credit reports.

Mr. Bernanke, thank you again for publically asking for comments from us, the users of these credit cards. Your assistance in changing these rules/regulations will be DEEPLY APPRECIATED. Thank you.

Very sincerely,

Laurie White  
A Consumer who is very upset with the credit card system as it is!

\*Note: This actually happened to me on one of my accounts when, due to a very unusual set of circumstances, three collection amounts were reported 'out of the blue' on

accounts that WERE NOT IDENTIFIED on the credit report, nor was I EVER notified about these accounts being delinquent (this happened when I was treated at a local hospital's Workmen's Comp division). These charges stemmed from a workman's comp claim and should have been billed to my former employer. Yet I am the one who NEVER received a bill for any of the services and suffered as a result of them going into collection!

P.S. Should anyone in your office wish to contact me personally, I will welcome the opportunity to testify about my personal experience. As a result of these 3 items mentioned above showing up on my credit report, my credit score went from

over 720 to 643!  
*Ask me how that affected my credit!* It went from having my interest in the 6.99 to 8.99% suddenly to 19.9 to 29.9%! ment - which is a separate company from the hospital, I later discovered), and suddenly these three accounts were shown to be placed in collection WITHOUT MY EVER BEING NOTIFIED ABOUT THEM!

Thank you once more for taking this industry to task!

[Laurie White](#)

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