

**From:** Dan Poulson  
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Comments:

@@@I'm a very recent college graduate, and over the past five years or so I have probably received hundreds of mail solicitations from credit card companies asking for my business, often with free gifts like DVD players and trips to Bermuda offered as enticements. I have yet to sign up for any of their offers, but I know for a fact that there are thousands of naive 18 year-old college students who will be less fortunate, seduced as they are by these tempting "bargains". This is no accident, of course: as the credit card industry is well aware, young people are more impulsive with their purchases and more likely to overlook the fine print on their credit card contracts regarding late fees, universal default rates and minimum payments. Consequently, more and more young people are finding themselves burdened with exorbitant debt that will take years to pay off.

The credit card industry's marketing practices are despicable, and not worthy of even the most unscrupulous loan shark. Their contracts are loaded with booby traps designed to trip consumers, and written in intentionally impenetrable and confusing language. Moreover, the industry stubbornly continues to withhold even the most basic information from consumers; while most consumers are familiar with the concept of penalty fees for late payments, they would be shocked to learn that a credit card company has the license to abruptly change its introductory "zero percent" financing to a massive 20% (or greater) "universal default rate" if a customer is late with a payment to an unaffiliated business. Similarly, an average consumer is probably unaware how long it will take to wipe out her current credit card balance if she continues to pay the minimum monthly payment. In some cases, the answer is measured in years, if not decades.

The human and economic cost of these deceptive practices on the American public is astronomical, but the credit card industry and its lobbyists seem remarkably unconcerned. So far, the industry has been permitted to reap massive profits by exploiting the most overworked, the most underpaid and most vulnerable segments of society. And unless the government reins them in, they will continue to do so.

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