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RE: Regulation AA – Docket Number R-1314

To whom it may concern:

I believe the credit card industry has been allowed to run amok and we need to impose some government control. Avarice has overtaken good sense. Lives have been ruined. Those people who have been imbued with a sense of responsibility have been particularly taken advantage of, made to shoulder the burden of paying for those persons who are financially inept.

I can only tell my story, but it is the story of millions of older Americans. My husband and I have borrowed money from various sources for at least 45 years. During that time we have only been late on a payment one time – by one day. If you look at our credit history, it is all "pays as agreed". This includes various loans and quite a few credit cards. Our recent "FICO" scores are higher than 760 - and that is during our down years.

As with many older Americans, we have had good times and bad times. In recent years health problems, job losses and particularly exorbitant credit card interest have almost depleted our savings. Through it all, we have successfully made every effort to live within our means. We have downsized twice in the last 8 years. We sold our home and now live in a two-bedroom apartment in a lower-rent area. Many of our decisions have been made in order to keep current on our credit card debt. Keeping up has been difficult.

We would be in much better financial shape if the credit card companies had been more cooperative. At first I believed the advice of the financial advisors who say you can lower your interest rate. These "advisors" say "Just call the credit card companies and they may be willing to cooperate, particularly if you have a good credit score." We tried that. I tried many different "pitches". I tried telling them what good customers we are. I tried making them feel sorry for me. I tried getting angry. I pleaded and cajoled. None of these strategies worked. I was told we were too large a risk. If the credit card companies consider customers like us a bad risk, how do they treat the truly bad risks! It appears they are treated the same. Here is a list of the few specific complaints I have:

1. Bank One (now Chase) raised our interest rate to 29%+ when we were late the one time in our lives. I quit using the card, but the small balance I had charged after having made a low interest balance transfer wasn't paid off until the low interest portion was totally paid. The amount of interest I ended up paying on about \$400.00 was enormous. I tried to use consumer "leverage" to convince them to lower the interest rate. I threatened to close my checking, savings, and lock

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box accounts with them. I eventually did close them and go elsewhere because my threats were to no avail.

2. When we sold our house eight years ago I made a large payment on a Fidelity Visa card. The credit card company's response was to increase our interest rate! When I wrote letters and called, I was told we were too large a risk. When I asked them to define risk for me, it wasn't done.
3. When we are away from home even two weeks, invariably we come home to a credit card bill that is close to being past due. In these cases, I dare not use the US Postal service to send my payment. One time I paid by phone and was hit with a \$30.00 "service" charge. The internet does work, but it's not my preferred payment method. Also, not all persons have access to the internet.
4. Another result of our one late pay was an increase in interest rates by other credit cards to +/- 25% range! This one late pay was probably at least five years ago and I still cannot bring the rates down. In addition, the higher rates are for old balances, not just new balances incurred after notification that the rate would go up.

This business is the most unfair business imaginable! By the time most consumers realize just how bad it is, they are in too deep to get out – without winning the lottery. Mr. Yingling of the American Bankers Association is quoted as saying that "If card companies cannot fully reflect risk, then millions of consumers with good credit histories will end up with higher rates". That one sentence is totally misleading and untrue in real life. My credit history is good, but if my rates were any higher a loan shark would be a better option!

Disclosure is a joke when the credit card companies can make their changes retroactive. Some of the cards I have were in existence when there were still usury laws!