

From: "Brad White" <karsinc_brad@mchsi.com> on 10/01/2007 11:20:33 AM

Subject: Truth in Lending

Here are some changes I would like to see made.

1. Credit Card companies should be required to keep default credit cards for 3 to 5 years before they can sell them off to a collection company. In addition, if a consumer pays off a default credit card then the Credit Card companies should be required to get that updated on a consumer's credit report with in 30 days...not up to 90 (statistics say that one 30 day late can drop your credit score up to 100 points), if that is true and the credit card companies drag their heels on getting your report updated correctly then you can drop from an 800 to a 500 very quickly, even after you have settled on a derogatory account. That being said, as fast as we can move data around with the internet, credit card companies should be required to update any card holders credit report within the same 30day window with all 3 credit reporting agencies or be hit with a fine large enough to make sure that they comply.
2. Any credit card company that issues multiple credit cards to a consumer within a 3 year window should only be able to collect on the first credit card they issue that consumer. There is no reason that any consumer should be able to get 3 x \$500 (example) high credit limit credit cards from the same company in such a short time frame. If this does happen it is because the credit card company wants the customer to default and/or get late fee's since they collect on multiple late fees and are betting on the consumer to miss a payment on one or all the cards issued to that consumer. If this does happen to a consumer then every card issued after the first one, if defaulted on, the credit card company must remove them completely from all 3 credit reporting agencies and eat the loss plus be subject to a fine for knowingly issuing multiple cards in this manner. In most cases, \$500 high credit lines are issued to people rebuilding credit, or trying to establishing credit then this is predatory and they are trying to set the consumer up for disaster by giving the consumer the ability to max out their debt to income on the revolving side which will bring down their credit score also and keep them in a credit card nightmare loop.
3. All children should be required to take 1 to 3 full years during high school of credit 101 before they are allowed to graduate. MANDATORY!!!

I have more comments if you care to hear them.

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