

July 10, 2007

Ms. Jennifer Johnson,
Secretary, Board of Governors
Federal Reserve System
20th St. and Constitution Avenue, NW
Washington, D.C. 20551

RE: Docket Number R-1286

Dear Ms. Johnson:

I read with extreme interest the article written in the South Florida Sun-Sentinel on June 17, 2007, entitled: ***Credit Cards Rules Under Review, but Some Say More Changes Needed.*** Your name and address was given for consumers who wanted to file comments.

I am a consumer with excellent credit and payment history, but I feel I was treated like a 3rd class citizen by Sears Credit Card Co. and their affiliates with CitiCorp. Group.

I have included with my comments the various correspondence I sent trying to resolve this issue.

Basically what happened is that I moved twice in a seven-month period. I like the idea of on-line bill paying and have been doing so for many, many years. When I moved I changed my addresses on-line with all my accounts, including Sears, the same way I did seven months before.

I have had my account with Sears for over twenty years and have never had problems with payments. When I did not receive my statement I continued to pay what I had been paying previously. For the past year I had *no minimum payment due* and had been paying \$60.00 each month anyway. I made my payments on line. I always made my payments before the due date or before I even received the statement. Sears has all of this recorded and it can be verified. For some reason, they continued to send my statement to my old address and those statements included an increase in the minimum payment. The statements had been returned to Sears as undelivered. I received a letter from Citi Cards with a number to call. When I called it was explained that my account was past due and in default. Then the letters began. I was told I had to pay \$675.00 in order to bring the account up to date, and not be reported on my credit reports. **I had to make the payment on that date by phone!** I told them that I had moved and never received the statements. Since they were returned I wanted the statements to see when the change in minimum had been made. It took months to receive them, and when I did it was not the original that were sent out. All along Sears had my correct address, because I had used the on-line catalog and billed to that account. They also had my address on the on-line mail. They claim that the on-line mail and the credit card services are not linked together and that address changes must be made in writing to the credit card company not on line, yet this how I done it previously.

I ended up having to pay, over \$1,000 for the months that I did not receive a statement (April – August 2006). In addition they increased my minimum payment due from \$0.00 to \$191.55 with an APR of 30.40% and finance charges of \$139.55. Keep in mind that they received payment monthly of \$60.00 all along.

When I told them that was more than my car payment and would create a hardship they did not budge. They had no problems closing my account upon my request although, that is the last thing I ever wanted.

I was told that you could negotiate credit terms with your creditors. And that if you closed accounts it would affect your credit score. Needless to say, I closed the Sears Credit Card account and transferred the balance to a new card that I conveniently received with a special offer of no APR for one year. I shudder to see what will happen when that year is up!

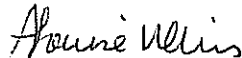
I consider myself to be a reasonably intelligent business person with a Masters Degree, but when the person from the executive office of Sears called and tried to explain how the finance charges, interest and APR were calculated on existing and new balances it felt like she was trying to teach Calculus to a 1st grader and asked her if she really expected me to understand what she was saying?

I vowed never to do business with Sears again and I haven't. I also immediately destroy anything that has CitiCorp or anything affiliated with them.

I was told that I should have filed a suit with consumer services. But quite frankly I can't imagine how many they have of this nature. Sears Credit Card services did not send my statements to my new address, neither were they forwarded. Although I continued paying what I thought to be the minimum I was still heavily penalized. What happens to people who aren't paying at all?.....

I thank you for the opportunity to file these comments and hope that at the very least a consumer can be treated as individual as their personal credit is and not like some statistic on a board of numbers and percentages.

Respectfully,



Alvina Louise Williams

Boynton Beach, Florida 33436

CITI CARDS
P.O. BOX 45129
JACKSONVILLE, FL 32232

✓ Ernest
Anthony



July 14th, 2006



ALVINA L WILLIAMS
████████████████████
DELRAY BEACH FL 33445-6907

Sears Charge
ACCOUNT NUMBER:
████████████████████
BALANCE: \$5,863.34

Dear ALVINA L WILLIAMS:

We are in receipt of your payment on your above referenced Sears Charge account.

We appreciate your payment; however, it is important that we discuss the account with you on the telephone. We have many payment options available. Please call the toll-free number below upon receipt of this letter.

When sending future payments, please call us to set up a *payment by phone* or send your payments via overnight mail or Western Union to the address below.

Citi Cards Payment Center
1500 Boltonfield Street
Columbus, OH 43228

Western Union
Citi Cards
Quick Collect
Central, NC

Thank you for your attention to this matter.

Sincerely,

T. WINGFIELD
VICE PRESIDENT CITICORP CREDIT SERVICES, INC. (USA)
FEDERAL REGULATIONS REQUIRE THE STATEMENT PRINTED ON THE REVERSE SIDE

Toll Free Telephone Number: 1-800-733-1116
TDD Number: 1-800-926-5818 (Hearing Impaired Only)

Any representative can assist you.
Office Hours (Central Time):

Monday - Friday 8:00 a.m. to 8:00 p.m.
Saturday - Sunday 8:00 a.m. to 4:00 p.m.

Send Correspondence to:
Card Service Center
P. O. Box 6923
The Lakes, NV 88901

0/L7/SC8006/001/ZZ/SY/ZP/8000/SYSTEMB /S2006071410001713/1024

August 2, 2006

Sears Premier Card
P.O. Box 6924
The Lakes, NV 88901-6924

Account: [REDACTED]

To Whom It May Concern:

This is to request that this account be closed immediately. I no longer wish to do business with Sears or any of its affiliates due to the non-receipt of monthly billing that resulted in the recent increases in finance charges and interest rates.

On or around April 15th, I moved and changed my billing address online. The statement I receive says that I can manage my account online. The website gives me access to my account, password, e-mail address and everything related to my account, however I never received a statement since then. I continued to make what I believed to be my monthly payments even without the statement. All mail has been forwarded to my new address, so if a bill had been sent with these changes, I would have received it. The only mail I received from Sears since my April statement was the letter to call them (Citi Corp.) sent to my former address, and forwarded to my new address. When I called today "Ernest" and "Anthony" tell me and this service is only for making orders not for changing addresses (Yet they were able to confirm my password which I set up on my online account with all my current information, including address and telephone numbers ?).


For over a year I have not even had to make a minimum payment because I have always paid before the due date. For some reason the minimum payment changed in May and since I have not been receiving statements I did not know this when I made my monthly payments from May through August and I have been assessed late fees, increased APR and finance charges.

I was told that my minimum had increased in May from \$69.24 to \$159.00, almost twice what I have been paying for years. This was due to the purchase of a \$150.00 telephone, which I made from a promotion received with my bill in March. I simply cannot perceive how one purchase can double my minimum payment and increase all charges and fees so drastically when prior to this I didn't even have to make the minimum payment but continued to do so before the due date.

I can see that there is no reward for loyalty and the representatives "Ernest" who I spoke to today and "Anthony" his supervisor have no regard for long-standing customers. Their total lack of sensitivity and inability to discern or acknowledge that an honest error had been made on my behalf, but more so on the behalf of this company in totally unacceptable to me, a long-standing customer. If they had only reviewed my records and payment history they would see this.

For these reasons, I will no longer patronize your stores or visit your websites.

With Regards,



A. Louise Williams



Boynton Beach, FL 33436



August 25, 2006

Mr. Aylwin Lewis, CEO
3333 Beverly Road
Hoffman Estate, IL
60179

A. L. WILLIAMS
BOYNTON BEACH, FL 33436



Re - Alvin Louise Williams



Dear Mr. Lewis -

I am writing to your office for assistance in resolving a dispute in finance charge increase and APR that I feel is harsh and will create a severe financial burden.

Further, I have spoken to no less than 10 different people and several different 800 #'s and feel that they have not considered me or treated me fairly. All they can repeat is what the computer says. (A machine with no brain or ability to reason.) This includes three different people in the Presidential Office.

I feel that ~~the~~ ^{the} circumstances ^{that} have led me ~~to~~ this are out of the ordinary and deserve at least consideration and research and the courtesy of a response from someone on a managerial level.

I wrote to the address on the back of my statement on August 3 after being told that my account was delinquent and not being able to reason with the credit department, I requested that my account be closed.

Briefly...

On or around April 30 I moved and went online to change my address. Since then I have not received my monthly bill. Customarily I pay my bills through my bank online. For almost a year I never even had a minimum balance to pay but I continued

to pay \$60.00. I have had my account with Sears for over 20 years, and truthfully did not want to close it but I have ^{never} been so ~~that~~ extremely exasperated trying to explain what I feel is a simple mistake and tried to get someone to understand. Never! I was told that my minimum increased in May and because I did not make the minimum payment "the computer" sees it as no payment at all, even though I continued paying the \$60.00 that I thought was due. I was told that my mail was being returned. No one will even tell me what address it was being sent to. I requested that I be sent all the returned mail and I have not received it, I changed my address in advance of my move and received every one of my bills except Sears. I still received forwarded mail as well, so if it was sent out to the former address it would have been forwarded by the post office.) **
I was told that I "had" to pay \$675.00 that day (8/3/06), I told the credit department supervisor that there is no way that I could pay that, he made me transfer my money over the phone for the payment by giving my routing #. When I told him I wanted to do it myself he said I could not, "I" had to give him the information now. I felt I had no choice. I immediately wrote and requested to close the account. (When I told him I wanted to close the account- he told me I couldn't until I paid) that was the hardest of any financial blows I have ever been dealt, and now Mr. Lewis, without any communication, research

apology, I get my September bill with a finance charge of \$139.55 and APR rate of 30.46! Minimum due \$191.55. After having no minimum due for close to a year! And.... because I never received a bill from May to August, and although I have continued paying!

I honestly did not realize that I had not received a bill until I received the letter from the credit department and spoke to them. My bills have been always paid online around the same time every month.

All I have asked is that someone research my paperwork and history and see that the blame is not entirely mine. I can not make a \$191.55 payment that is higher than a car payment at these rates. I believe I deserve someone's time and the courtesy of a response.

I spoke the seven different people on 8125100 having to explain my situation from the beginning every single time. When I got to the final person I could not even apologize for how angry I was but still they put me on hold and when the call picked up it was someone else who ^{AGAIN} account wanted my name, account # password and explanation of the call!!!

I know that you will probably never see this letter yourself, but at least you or someone in the corporate office can help me.

I apologize for handwriting, my computer is in need of repair and I can't afford to spend any more of my employers time trying

4 of 4.
to resolve this, I have already spent over 4 hours of their time

- August 1 - Received letter from Credit dept.
Citi Corp. (Sears)
- August 2 - Called Credit depart.
Spoke to rep.? (name Michael ??) See letter
Spoke + Supervisor (name -- see letter)
Paid. \$675.00 over phone
- August 2 - Wrote letter to explain events of
conversation and reason for pay \$60.00
Request close.
- August 3 - Paid \$60.00 - this was already in system
- August 11 - Sears closed ~~to~~ account
- August 25 - Received bill for \$191.85
Called Credit Card department 800-917-7700
Spoke Janice
Called Sears Presidential office 800-549-4505
Spoke to Leon - Service dept.
" " ? - Customer Relations department
(said they have nothing to do with credit
cards - can't help) told to call ↓
Called 800-729-2000
Spoke Alita who transfer me to
(?) unknown - who transfer me to
Ashley - who told me a supervisor will call in 24 hrs.

Now, Mr. Lewis if this was you and your account, what you do?
What would you expect?

Alw — 8/25/06

September 22, 2006

Mr. Aylwin Lewis, CEO
Sears
3333 Beverly Road
Hoffman Estate, IL 60179

Re:Alvina Louise Williams
[REDACTED]

Dear Mr. Lewis;

In response to the letter I wrote on August 25, 2006, I received a telephone call from Penny at your office on August 31, 2006 for which I am thankful.

Penny explained that my account would be reinstated to where it was before I stopped receiving statements and this would include adjustments in APR, finance charges and especially that the payment due would return to a -0- minimum due. She also said that I would see these adjustments on my next statement.

I just received my statement and as you can see, there is another minimum due of \$162.58. Mr. Lewis, if I were to make this payment that would be a total of \$1,029.13 in payments that I would have made to Sears since August 3, 2006!

To this date I still have not received a letter of explanation, copies of my statements for May, June, July and August although I have requested them several times.

I am told that I have to continue making payments until this is resolved. This is totally unacceptable because each payment I make creates more of a hardship than the previous one and it looks like I will never be able to recover any of it.

As I mentioned in each of my correspondence (see attached), I believe that I have been made to suffer severely by making this payments even in light of the fact that I continued to pay \$60.00 monthly when I was not even receiving a statement. My account was sent to collections as delinquent although I had paid and that is simply not right. Not making the required minimum payment was not intentional. It was because I did not have a statement. I made the payments I had previously made even when I had a -0- minimum due, and I am still being penalized.

I am appealing for the final time for a full investigation, a written response and copies of the statements that I did not receive for May, June, July and August. I would also like to be able to recover what I have been made to pay in excessive finance charges and past due payments.

Alvina Williams
[REDACTED]

Boynton Beach, FL 33436

8/31/06 8:15 pm
 Penny? - Sears Presidential

Returned to 0.00 minimum due
 Finance charge 98.00 off
 returned to APR previous
 Will see on next statement
 SO2-522-2484

Called
 9/3/06 6:30



Sears Premier Card®

Call us at 1-800-917-7700
 Go to www.searscard.com
 Write to us at PO Box 6924 The Lakes, NV 88901-6924

ALVINA L WILLIAMS
 Account Number: [REDACTED]
 Page 1 of 1

Payment Due Date
09/08/06

Your Account Summary

| | |
|------------------------------|-----------------|
| Billing Cycle Closing Date | 08/11/06 |
| Amount Over Credit Line | \$0.00 |
| Amount Past Due | \$0.00 |
| Total Minimum Due | \$191.55 |
| Previous Balance | \$5,863.34 |
| Payments & Credits | \$840.03 |
| Activity | \$0.00 |
| Other Charges | \$0.00 |
| Total FINANCE CHARGES | \$139.55 |
| Account Balance | \$5,162.86 |

Manage your account online—it's FREE

Pay your bill...track purchases...set email alerts...
 even request a credit line increase—do it all online at
SearsCard.com. It's a great way to stay on top of your
 account.



Register today at SearsCard.com.
 It's free, and you won't believe how
 much time you can save. See for
 yourself at SearsCard.com.

Your Credit Summary

| | |
|------------------------|------------------------------|
| Total Credit Line | \$7,800.00* |
| Total Credit Available | \$0.00 <i>received 8/10*</i> |

| Activity | Sale Date | Post Date | Description | Amount |
|----------|-----------|-----------|--------------------------------|----------|
| | 07/13/06 | 07/13/06 | LATE FEE REVERSAL | - 105.00 |
| | 08/02/06 | 08/02/06 | SPEED PAY PAYMENT DEERFIELD IL | - 675.03 |
| | 08/03/06 | 08/03/06 | PAYMENT - THANK YOU | - 60.00 |

| Rates | *Rate Varies | Balance | Average Daily Balance | Corresponding ANNUAL PERCENTAGE RATE | Periodic Rate D=Day M=Month | Periodic FINANCE CHARGE |
|----------------------------|--------------|------------|--|--------------------------------------|--------------------------------|-------------------------|
| SEARS | | | | | | |
| REGULAR | | \$5,162.86 | \$5,584.51 | 30.40%* | .0833%(D)* | \$139.55 |
| EXTERNAL | | | | | | |
| REGULAR | | \$0.00 | \$0.00 | 30.40%* | .0833%(D)* | \$0.00 |
| CASH ACCESS | | | | | | |
| REGULAR | | \$0.00 | \$0.00 | 30.40%* | .0833%(D)* | \$0.00 |
| Days in Billing Period: 30 | | | Effective ANNUAL PERCENTAGE RATE: 30.40% | | Minimum FINANCE CHARGE: \$0.00 | |



Sears Premier Card®

Account Number: [REDACTED]



| | | | |
|-----------------|------------------|-------------------|-----------------|
| Account Balance | Payment Due Date | Total Minimum Due | Amount Enclosed |
| \$5,162.86 | 09/08/06 | \$191.55 | 0 |