

From: "Schmura, Cheryl" <Cheryl.Schmura@chsinc.com> on 08/03/2008 11:15:06 PM

Subject: Regulation AA

I would like to register a complaint regarding the Northwest World Perks Visa card. I have held this card since the 80's and have had impeccable credit. Last year I took a new job and traveled extensively in the fall. During the last three months, I paid my World Perks bill late two times - the first time (September) it was paid 2 days late. The second time, it was paid two weeks late. At that time, I essentially paid off the full balance of \$3,200. At the same time, World Perks not only charged me two \$39 late fees (one each month) but raised my finance rate from 12.15% to 32.24%. The notice of this change appeared in fine print at the bottom of the statement. Because I had paid off the balance, I did not see a large interest charge and so I did not notice the significant increase. The following month, I charged a vacation trip valued at \$12,000 on my credit card to get the airline miles. It was when I received the following bill that I noticed my monthly finance charge was over \$154 on a balance that had been outstanding for only a half of a month. I checked the calculation, thinking it must be in error, and then saw the finance rate of 32.24% that had applied during that period. I immediately called World Perks and was advised that I had paid my bill late twice the earlier fall and there was nothing they could do for me. I was outraged. Following that call, I went online and applied for a new Capital One credit card. I was immediately approved, closed the World Perks card account and transferred the balance remaining (\$2,600) to my new Capital One account.

It would seem to me that credit card companies have gotten completely out of line with their ability to charge the consumer. The rates they are able to charge are criminal and between those rates and the late fees, the average customer is held hostage to these card issuers. I was fortunate in that I have impeccable credit (or did!), have a sizable annual salary and have very little debt. As a result, it was no problem to get a replacement card from Capital One. What does a consumer do who has some debt, limited earnings and a World Perks Visa account? They are in trouble. I would ask that something be done to rein in these credit card companies. If there is information that I can provide on my own situation, please don't hesitate to ask. I would like to help others who have found themselves victim to this kind of treatment. Please take some action to stop the consumer abuse.

Sincerely,
Cheryl Schmura

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