

The Massachusetts Attorney General's

The seal of the Commonwealth of Massachusetts is a large, light gray watermark in the background. It features a central shield with a Native American figure holding a bow and arrow, a five-pointed star above his right shoulder, and a crest above the shield showing a bent arm holding a broadsword. A ribbon scrolls around the shield with the Latin motto "ENSE PETIT PLACIDAM SVB LIBERTATE QVIETEM". The outer ring of the seal contains the text "OFFICE OF THE ATTORNEY GENERAL" at the top and "COMMONWEALTH OF MASSACHUSETTS" at the bottom.

Guide to Consumer Credit

February 2018

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A Note from the Attorney General

Dear Consumer,

Credit, whether in the form of a credit card or a loan, can be a valuable tool that permits consumers to obtain goods and services that they might not otherwise be able to afford, such as a home or new car.

Unforeseen circumstances, poor choices by debtors and unfair practices by some creditors can cause financial difficulties and emotional stress. There are many laws protecting consumers in the area of credit, including those that govern truth in lending, billing rights, fair credit reporting, and debt collection.

The information in this booklet addresses these credit concerns, as well as what is often referred to as the “hidden price of plastic.” I hope that you find this material helpful in understanding the laws surrounding credit.

Our office cannot offer legal advice to individuals, however, if you believe that a creditor is violating one or more provisions of these laws or if you have additional questions, please contact our Consumer Advocacy & Response Division at (617) 727-8400.

Cordially,

Maura Healey

Massachusetts Attorney General

Truth In Lending

Both state and federal truth in lending laws require creditors to inform consumers about the costs of the credit transactions they are entering. By examining these costs and comparing offers from more than one creditor on any proposed credit transaction, consumers can shop around for the best credit deal, just as they shop around for the best price on the purchase they are contemplating.

The Dodd-Frank Act of 2010 is a comprehensive bill designed to regulate loans, credit and mortgages in order to protect the consumer and oversee Wall Street activity. The Act regulates credit fees and keeps banks from using abusive lending. It created the Consumer Financial Protection Bureau to protect consumers from predatory mortgage practices and make the banking world more transparent.”

There are two types of credit transactions: closed end and open end. Regulation Z is the federal truth in lending statute governing disclosures for both closed end and open end credit transactions. In a closed end transaction credit is extended just once; for instance, in the form of a car loan. In an open end transaction, credit is extended in an ongoing way. A credit card agreement is a form of open end credit.

Closed End Credit. A creditor offering closed end credit must make certain disclosures before the transaction is completed, clearly and conspicuously, in writing, and in a form the consumer may keep. The disclosures must appear in a table, and the table may not contain other information not directly related to the required disclosures. Disclosures required include:

- the identity of the creditor;

- the dollar amount being financed (the principal of the loan);
- the finance charge (the dollar amount that the credit will cost you);
- the annual percentage rate (the interest rate);
- the payment schedule (the number, amounts, and timing of payments);
- the total of payments (the dollar amount you will have paid when all payments are made);
- the total sale price (down payment, plus amount being financed, plus finance charge);
- any prepayment penalty (a fee charged if you pay off the loan early); and
- any charge for late payments.

If the annual percentage rate may increase, the creditor must also disclose the circumstances under which the rate may increase, any limitations on the increase, the effect of an increase, and an example of the payment terms that would result from an increase. If the creditor reserves the right to demand repayment of the loan under certain circumstances, that must also be disclosed. The creditor's disclosures must include a statement that directs the consumer to the appropriate contract document for certain other information about the terms of the credit being extended.

The creditor must give you a written itemization of the amount financed, including: the amount of any funds being distributed directly to you; any amount credited to your account with the creditor; and any amounts being distributed to other persons (or creditors) on the consumer's behalf. These persons must be identified, either by name, or by such descriptions as public officials or government agencies, credit reporting agencies, appraisers, or insurance companies.

Open End Credit. An open end credit transaction is one in which there will likely be repeated transactions (like a credit card) where the creditor may impose a finance charge on an outstanding balance and the amount of credit (the credit limit), less any amount owed, is generally available to the borrower at any time during the term.

In an open end credit transaction, the creditor must also make certain disclosures, clearly and conspicuously, in writing, in a form the consumer may keep. One type of open end transaction is a home equity line of credit. Another type of open end transaction is a credit card. Required disclosures for a credit card solicitation or application to open a credit card account, must be made with the application or solicitation, and in a table format. The card issuer must disclose:

- the annual percentage rate of interest (If more than one rate may apply, the range of balances to which each rate is applicable must also be disclosed. If the account has a variable rate, the card issuer must also disclose the fact that the rate may vary, and how the rate is determined.);
- any annual or other periodic fee for the card, including any fee based on account activity or inactivity;
- any minimum or fixed finance charge that could be imposed during a billing cycle;
- any transaction charges imposed for the use of the card for purchases;
- any cash advance fee;
- any late payment fee;
- any fee for charging over one's credit limit; and
- any "grace period" during which any credit used for purchases may be repaid without incurring a finance charge. If the length of the grace period

varies, the card issuer must disclose the range of days, the minimum number of days, or the average number of days in the grace period.

The card issuer must identify the method used to calculate the outstanding balance on the card.

- discounted or initial premium rates,
- the time period after which they will change, and
- security risks or possible actions by the creditor.

Please see pages 20-23 for a sample credit card statement.

Your Billing Statement. A credit card issuer must send you a statement each billing cycle, which must state:

- the previous balance, if any, outstanding at the beginning of the billing cycle;
- each credit transaction;
- the date of the transaction;
- credits to the account during the billing cycle, including the amount and date of crediting;
- each interest rate used to compute the finance charge;
- the balance on which each part of the finance charge is computed;
- the amount of the finance charge and any other charges;
- the closing date of the billing cycle;
- the account balance outstanding on the closing date of the billing cycle; and
- a warning advising consumers that making only the minimum payment will increase the amount of interest you pay and the time it takes to pay off your balance.

The card issuer must include an address to be used for notice of billing errors, and any grace period during which payment must be received to avoid additional finance charges.

Billing Rights

If you believe that there is an error on your credit card statement, or you otherwise wish to dispute information on your credit card bill, you have 60 days to send the creditor a written notice.

This written notice must include:

- your name and account number;
- your belief that the statement contains a billing error;
- the amount of the error; and
- the reasons you believe that the statement contains a billing error.

While you do not have to pay the disputed amount on the bill, you do have to pay any undisputed amount on the bill.

The creditor has 30 days to send a written acknowledgement of your notice, and may not take action to collect the disputed amount or close your account during that time. The creditor has two complete billing cycles after the receipt of your written notice to investigate your dispute and send you a written response, either correcting the bill and crediting your account, or explaining to you why there is no error in the bill.

If the creditor determines that there is no mistake in the bill, you may request copies of the creditor's written evidence of the debt, such as a copy of a signed charge slip for a purchase you do not believe you made. If you claim that you have been billed for goods that were not delivered, the creditor must determine that the goods actually were delivered, and provide you with a written statement to that effect.

Once the creditor has investigated your claim of a billing error and notified you of its belief that you

still owe all or part of the disputed amount, it has no further obligation to investigate. The creditor must notify you of the amount of time you have to pay the amount due without incurring further charges.

If you notify a creditor that you believe there are billing errors in your statement, the creditor may neither report nor threaten to report your failure to pay the disputed amount to any credit reporting agency until the creditor has investigated your claim of a billing error and notified you of the amount of time you have to pay the amount due before incurring further charges. If you still do not pay the bill, the creditor may report you to a credit reporting agency, but must inform you of the agency to which it has sent this information. Also, if you continue to dispute the bill, the creditor must report that fact to the agency, and must correct any information given to the agency if the bill is subsequently resolved.

If you lose your card, or it is stolen, and someone makes use of your credit card number without your permission, you will owe \$50 or the actual amount the unauthorized person has spent with it prior to your alerting your credit card issuer, whichever is less.

If you have authorized someone to use your card in the past, you may not be able to convince your credit card company that the person no longer has permission to use the card.

According to the CFPB changes effective January 10, 2014, if consumers miss a payment, creditors must try to contact them no later than 36 days after the payment was due and inform them of alternative workout options no later than 45 days after. If a consumer is more than 45 days late on a payment, the creditor must assign personnel to help the consumer.

Costs of Credit

There are a number of considerations to be aware of when dealing with credit cards.

Reading the Annual Disclosure Statement. Many lenders offer well-advertised attractive benefits, such as travel discounts or extra protection if an item is lost or stolen, to encourage you to get their credit card. However, you should read your annual disclosure statement closely to determine if the very benefits which enticed you to get the card are not quietly discontinued over time.

Linking a Credit Card with Checking or Savings

Accounts. If you have a checking or savings account with the same bank from which you have a credit card, you may have authorized the bank to automatically withdraw funds from your savings or checking account if you are delinquent in paying your credit card bill. If you are unsure, contact your bank. To avoid automatic funds withdrawal, pay your bill on time, get a credit card from a different lender, or contact your bank and ask about de-linking the accounts.

Fees and Interest Rates. Annual fees and finance charges can significantly increase your credit costs. Annual fees are set by the card issuer and interest rates may vary in accordance with the prime lending rate. To obtain lower fees and interest rates, shop around for lenders who don't require an annual fee or offer lower annual fees and interest rates. Rates and fees may be particularly competitive when transferring balances.

Backdated Interest. Generally, when you charge an item to your credit card, the credit card company doesn't pay the merchant for several days. You will pay less interest if

the company doesn't begin charging you interest until it pays the merchant, rather than charging you from the day on which you made the purchase, a practice known as backdating. To avoid backdating, you should pay your balance in full every month or find another credit card company which does not backdate interest.

Retroactive Hikes in an Interest Rate. In order to entice you to get a card with them, or transfer existing balances, some lenders offer lower rates, known as "teasers," which are only effective for a limited time period. When the teaser period expires, a significantly higher interest rate may be charged. If you find you have already signed up for such a card, you should pay your balance in full or transfer the balance to a lower interest card before the teaser rate expires. Any teaser rate must be valid for six months, and any offer other than a teaser rate must be valid for one year.

Additional Fees for Cash Advances. In addition to charging purchases on your credit card, you can get cash advances which provide cash in the event of a perceived need. However, the financing costs of increasing your cash flow in this way are significant, because most credit card companies charge a transaction fee, as high as 2% of the advance, in addition to interest on the cash advance. Before taking a cash advance, even if your card advertises "no finance charges" on cash advances, find out if a transaction fee is charged.

Monthly Minimum. Lenders often encourage consumers to skip a monthly payment or make low minimum monthly payments without being in default. You may find it tempting to skip a monthly payment, or to pay the minimum on your monthly balance, because

The Difference Between a Debit Card and a Credit Card.

Payment for purchases made with debit cards are deducted directly from your checking account. Therefore, unlike credit cards, you are not charged interest for debit card transactions. Debit cards provide you the ease of cash-less buying without incurring financing costs, but remember, you must have the money in your checking account when you make the purchase.

Unlike credit cards, you may not have the right to dispute problem purchases and there is no maximum liability for the misuse of your card by another person.

it keeps more of your money in your pocket. However, making minimum payments benefits the lender only, because the longer it takes you to pay off your balance, the more money the lender makes in increased finance charges. If you pay only the minimum each month and continue to incur new charges you may soon find that your balance has ballooned to a burdensome amount. To avoid higher finance charges, and benefit yourself rather than the lender in the long run, pay as much as possible of your monthly balance.

Grace Periods. Most credit cards offer “grace periods” during which interest is not charged for new purchases, as long as the new unpaid balance is paid in full each month. However, be aware that credit card terms can be misleading, and not all grace periods are the same. For example, with many cards, consumers will not enjoy any grace period on new purchases if a balance is carried over from month to month. With such cards, you will have to pay the entire balance each month to avoid finance charges on new purchases. Some credit card companies offer no grace periods, regardless of whether the unpaid balance is paid each month. Therefore, before signing up for a credit card, read the grace period terms carefully. Make sure that you ask the credit card company for clarification if you do not understand the terms. If you are unsatisfied with the terms or do not think you can pay your entire balance each month, you may wish to find a credit card lender that does offer a bona fide grace period under which interest is not charged on new purchases.

Late Payment Penalties and Default Rates. In addition to the interest charges incurred when you carry a balance on your credit card, the costs of credit include late fees and default rates. If you do not carefully manage your account

and pay it on time, many credit cards charge large late fees (\$20, \$25, \$35) if they do not receive your payment by the due date. Also, if you make late payments you may be subject to an increase in the interest rate applicable to your account.

Fair Credit Reporting

Your Credit Report. Private companies called “credit reporting agencies” collect information related to your access to and use of credit. They make that information available to others under certain circumstances, in the form of a “credit report.” Your credit report is relied upon by lending institutions, employers, insurance agencies, and future creditors to make decisions about you. For this reason, your credit report is an important document, and the law gives you certain protections against the reporting of incorrect information.

The federal Fair Credit Reporting Act (FCRA) under CFPB protects you from private companies by enforcing important rights involving your relationship with your credit and consumer reporting agencies. It permits a credit report to be sent to government authorities, creditors, employers or others only if its intended use is for a credit transaction, insurance coverage, employment, a business connection, eligibility for government benefits or for law enforcement purposes. Knowing your legal rights and remedies is the first step to resolving any problems associated with your credit report.

There are three major credit reporting agencies in the United States: TransUnion, Experian, and Equifax. These companies collect information and produce reports on individuals’ credit histories, which they may provide to a

Credit Reporting Agencies:

Equifax

Phone: (800) 685-1111
www.equifax.com

Experian

Phone: (888) 397-3742
www.experian.com

TransUnion

Phone: (800) 888-4213
www.transunion.com

To obtain your free credit report visit:

Phone: (877) 322-8228
www.annualcreditreport.com

lender who is considering advancing credit to you.

Your Credit Report is Free. Under state and federal law, you are entitled to one free copy of your credit report per calendar year from each of the three main credit reporting agencies. Request a copy every year to ensure the accuracy of your report. As a Massachusetts resident, you are entitled to six free credit reports every 12 months: one from each of the three credit reporting agencies under state law (M.G.L. c. 93, § 59(d)) and one from each of the three under the Fair Credit Reporting Act.

If you ever apply for and are denied credit, you should immediately obtain a copy of your report to verify that all the information is correct. You have the right to know which credit reporting agency prepared the report that was used in the denial of your credit application. Under state law, you have the right to a free copy of your credit report within 60 days of being denied credit. M.G.L. c. 93, § 56. This inquiry is separate from your right to six free credit reports each year.

Correcting Your Credit Report. If you dispute the completeness or accuracy of any item in your credit report, you should notify the credit reporting agency. The agency may require that your notice to them be in writing. Most reporting agencies request that your dispute be filed online. By law, however they must provide you the opportunity to speak with a person at any time during the dispute resolution process. You should consider the value of putting the dispute in writing and using certified mail, to be able to prove that your information was received, and to have proof of what you told the agency. If you file online, remember to note any confirmation number and/or to print out a copy of your information.

The credit reporting agency must investigate the dispute within 30 days unless the agency believes that it is, in the words of the statute, “frivolous or irrelevant.” If the agency makes that determination, they must tell you, in writing, within five days. If the investigation results in a determination that the negative information about which you have filed a dispute cannot be verified, they must remove it from your file within three days. If the investigation does not resolve the dispute, and the disputed information remains on your report, then the credit reporting agency must inform you, within five days, and give you the opportunity to add a statement to your file disputing the accuracy or the completeness of the information.

Fair Debt Collection

The Massachusetts Attorney General’s Debt Collection Regulations, 940 CMR 7.00, prohibit many unfair debt collection practices by creditors. Regulations of the Massachusetts Division of Banks, 209 CMR 18.00, prohibit unfair debt collection practices by debt collection agencies.

Communication with Creditors and Collection

Agencies. When communicating directly with you, creditors and collection agencies may not:

- call you at home more than twice for each debt in any seven-day period, or more than twice for each debt in any 30-day period at some place other than your home, such as your place of work;
- call you at work if you have requested that they not call. Your oral request that a collector not call you at work is valid for 10 days only. Written requests are valid until you write to the collector removing the restriction;

- call you without identifying both the name of the creditor and the name of the person calling. The caller may use a name other than his or her own, but the creditor or collection agency on whose behalf the call is being made must be identifiable to you;
- contact you directly, if you have told the creditor or collection agency you are represented by an attorney;
- use profane or obscene language;
- cause expense to you in the form of long distance calls, express mail charges, wire fees, or other similar charges;
- falsely threaten to take legal action that the creditor does not reasonably intend to take;
- tell anyone (including your friends, neighbors, relatives, or employers) about your debt, without your written consent;
- mail to you any printed or written materials that reveal or imply that you owe a debt (for example, by using a postcard to contact you or using a descriptive return address);
- solicit post-dated checks from you;
- visit your home at times other than your normal waking hours. A collector may not visit you more than once in any 30-day period for each debt, unless you give permission for additional visits; or
- call you at times other than your normal waking hours. If your waking hours are unknown, then the collector may only call between 8:00 a.m. and 9:00 p.m.

Additional Rights. A creditor must allow you or your attorney to inspect any document on which the creditor is relying to prove that you owe the debt being collected, e.g., a credit card application, account statement, promissory note, ledger, account card, or similar record in the creditor's possession, which reflects the date and amount of payments, credits and charges related to the debt.

Under state and federal law, if you want all debt collection contact to stop, and it is a debt collection agency (as opposed to the creditor itself) that is contacting you, you have the right to make a request in writing that all such contact stop. Once you have made such a written request, the debt collection agency may not contact you again; however, the agency will still be permitted to sue you to try and collect the debt.

Locating a Debtor. Creditors and debt collection agencies are permitted to try to locate a debtor by contacting persons other than the debtor or persons residing in the debtor's household, if the creditor or debt collection agency reasonably believes that it no longer has current information on the debtor's location. However, the creditor or debt collection agency may not inform anyone it calls about your debt.

If You Have Debt Problems

If you are having trouble paying bills, you should contact your creditors immediately and see if you can set up a monthly payment plan.

Many creditors will try to work out a suitable payment schedule if they believe you are acting in good faith. Make sure that any payment to which you agree is one that you can and will make.

If you are still having serious problems after attempting these steps, another option is to hire a credit counseling service to create a debt repayment plan. In Massachusetts, credit counselors must be non-profit organizations. Be advised that fees vary widely. Shop around and avoid credit counselors who charge large up-front fees or large monthly fees.

Two other methods of dealing with debt problems are consolidating debt through a single loan, and filing for bankruptcy. There are serious consequences associated with both of these options, so consult with a trusted professional about debt consolidation or a competent bankruptcy attorney about bankruptcy before taking any action.

Resources

Credit reporting agencies:

Experian

www.experian.com

(888) 397-3742

TransUnion

www.transunion.com

(800) 888-4213

Equifax

www.equifax.com

(800) 685-1111

General information and complaints:

Office of the Attorney General

www.mass.gov/ago

Consumer Advocacy & Response Division

(617) 727-8400 Consumer Hotline

One Ashburton Place | Boston, MA 02108

Office of Consumer Affairs & Business Regulation

www.mass.gov/orgs/office-of-consumer-affairs-and-business-regulation

(888) 283-3757 Consumer Hotline

10 Park Plaza, Suite 5170 | Boston, MA 02116

Federal Trade Commission

www.ftc.gov

(877) 382-4357

600 Pennsylvania Avenue, NW | Washington, DC 20580

Questions and complaints about banks and collection agencies:

Massachusetts Division of Banks

www.mass.gov/orgs/division-of-banks

(617) 956-1501 Consumer Line

1000 Washington Street, 10th Floor

Boston, MA 02118-6400

Federal Reserve Consumer Help

www.federalreserveconsumerhelp.gov/

(888) 851-1920

Federal Reserve Consumer Help

PO Box 1200 | Minneapolis, MN 55480

Consumer Financial Protection Bureau

www.consumerfinance.gov/complaint

(855) 411-CFPB (2372)

TTY/TDD (855) 729-CFPB (2372)

Español (855) 411-CFPB (2372)

P.O. Box 4503 | Iowa City, Iowa 52244

XXX Bank Credit Card Account Statement
 Account Number XXXX XXXX XXXX XXXX
 February 21, 2012 to March 22, 2012

Summary of Account Activity

Previous Balance	\$535.07
Payments	-\$450.00
Other Credits	-\$13.45
Purchases	+\$529.57
Balance Transfers	+\$785.00
Cash Advances	+\$318.00
Past Due Amount	+\$0.00
Fees Charged	+\$69.00
Interest Charged	+\$10.89
New Balance	\$1,784.53
Credit limit	\$2,000.00
Available credit	\$215.47
Statement closing date	3/22/2012
Days in billing cycle	30

QUESTIONS?

Call Customer Service 1-XXX-XXX-XXXX
 Lost or Stolen Credit Card 1-XXX-XXX-XXXX

Payment Information

New Balance	\$1,784.53
Minimum Payment Due	\$53.00
Payment Due Date	4/20/12

Late Payment Warning: If we do not receive your minimum payment by the date listed above, you may have to pay a \$35 late fee and your APRs may be increased up to the Penalty APR of 28.99%.

Minimum Payment Warning: If you make only the minimum payment each period, you will pay more in interest and it will take you longer to pay off your balance. For example:

If you make no additional charges using this card and each month you pay...	You will pay off the balance shown on this statement in about...	And you will end up paying an estimated total of...
Only the minimum payment	10 years	\$3,284
\$62	3 years	\$2,232 (Savings=\$1,052)

If you would like information about credit counseling services, call 1-800-XXX-XXXX.

Please send billing inquiries and correspondence to:
 PO Box XXXX, Anytown, Anystate XXXXX

Notice of Changes to Your Interest Rates

You have triggered the Penalty APR of 28.99%. This change will impact your account as follows:

Transactions made on or after 4/9/12: As of 5/10/12, the Penalty APR will apply to these transactions. We may keep the APR at this level indefinitely.

Transactions made before 4/9/12: Current rates will continue to apply to these transactions.

However, if you become more than 60 days late on your account, the Penalty APR will apply to those transactions as well.

Important Changes to Your Account Terms

The following is a summary of changes that are being made to your account terms. For more detailed information, please refer to the booklet enclosed with this statement.

These changes will impact your account as follows:

Transactions made on or after 4/9/12: As of 5/10/12, any changes to APRs described below will apply to these transactions.

Transactions made before 4/9/12: Current APRs will continue to apply to these transactions.

If you are already being charged a higher Penalty APR for purchases: In this case, any changes to APRs described below will not go into effect at this time. These changes will go into effect when the Penalty APR no longer applies to your account.

Revised Terms, as of 5/10/12

APR for Purchases	16.99%
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Graphic courtesy of the Board of Governors of the Federal Reserve System
<http://www.federalreserve.gov/creditcard/flash/readingyourbill.pdf>

1) Summary of account activity

A summary of the transactions on your account—your payments, credits, purchases, balance transfers, cash advances, fees, interest charges, and amounts past due. It will also show your new balance, available credit (your credit limit minus the amount you owe), and the last day of the billing period (payments or charges after this day will show up on your next bill).

2) Payment information

Your total new balance, the minimum payment amount (the least amount you should pay), and the date your payment is due. A payment generally is considered on time if received by 5 p.m. on the day it is due. If mailed payments are not accepted on a due date (for example, if the due date is on a weekend or holiday), the payment is considered on time if it arrives by 5 p.m. on the next business day.

3) Late payment warning

This section states any additional fees and the higher interest rate that may be charged if your payment is late.

4) Minimum payment warning

An estimate of how long it can take to pay off your credit card balance if you make only the minimum payment each month, and an estimate of how much you likely will pay, including interest, in order to pay off your current balance in three years.

5) Notice of changes to your interest rates

If you trigger the penalty rate (for example, by going over your credit limit or paying your bill late), your credit card company may notify you that your rates will be increasing. The credit card company must tell you at least 45 days before your rates change.

6) Other changes to your account terms

If your credit card company is going to raise interest rates or fees or make other significant changes to your account, it must notify you at least 45 days before the changes take effect.

XXX Bank Credit Card Account Statement
 Account Number XXXX XXXX XXXX XXXX
 February 21, 2012 to March 22, 2012

Transactions

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Reference Number	Trans Date	Post Date	Description of Transaction or Credit	Amount
5884186PS0388W6YM	2/22	2/23	Store #1	\$133.74
854338203FS8000Z5	2/25	2/25	Pymt Thank You	\$450.00-
564891561545KOSH	2/25	2/26	Store #2	\$247.36
1542202074TWWZV48	2/26	2/26	Cash Advance	\$318.00
4545754784KOHUIOS	2/27	3/1	Balance Transfer	\$785.00
2564561023184102315	2/28	3/1	Store #3	\$34.32
045148714518979874	3/4	3/5	Store #4	\$29.45
0547810544898718AF	3/15	3/17	Store #5	\$72.25
Fees				
9525156489SFD4545Q	2/23	2/23	Late Fee	\$35.00
84151564SADS8745H	2/27	2/27	Balance Transfer Fee	\$23.55
256489156189451516L	2/28	2/28	Cash Advance Fee	\$10.90
TOTAL FEES FOR THIS PERIOD				\$69.45
Interest Charged				
Interest Charge on Purchases				\$6.31
Interest Charge on Cash Advances				\$4.58
TOTAL INTEREST FOR THIS PERIOD				\$10.89

8

2012 Totals Year-to-Date		
Total fees charged in 2012		\$90.14
Total interest charged in 2012		\$18.27

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Interest Charge Calculation

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Your Annual Percentage Rate (APR) is the interest rate on your account.

Type of Balance	Annual Percentage Rate (APR)	Balance Subject to Interest Rate	Interest Charge
Purchases	14.99% (v)	\$512.14	\$6.31
Cash Advances	21.99% (v)	\$253.50	\$4.58
Balance Transfers	0.00%	\$637.50	\$0.00

(v) = Variable Rate

Graphic courtesy of the Board of Governors of the Federal Reserve System
<http://www.federalreserve.gov/creditcard/flash/readingyourbill.pdf>

7) Transactions

A list of all the transactions that have occurred since your last statement (purchases, payments, credits, cash advances, and balance transfers). Some credit card companies group them by type of transactions. Others list them by date of transaction or by user, if there are different users on the account. Review the list carefully to make sure that you recognize all of the transactions. This is the section of your statement where you can check for unauthorized transactions or other problems.

8) Fees and interest charges

Credit card companies must list the fees and interest charges separately on your monthly bill. Interest charges must be listed by type of transaction (for example, you may be charged a different interest rate for purchases than for cash advances).

9) Year-to-date totals

The total that you have paid in fees and interest charges for the current year. You can avoid some fees, such as over-the-limit fees, by managing how much you charge, and by paying on time to avoid late payment fees.

10) Interest charge calculation

A summary of the interest rates on the different types of transactions, account balances, the amount of each, and the interest charged for each type of transaction.



Office of the Massachusetts Attorney General

One Ashburton Place
Boston, MA 02108

(617) 727-8400

www.mass.gov/ago