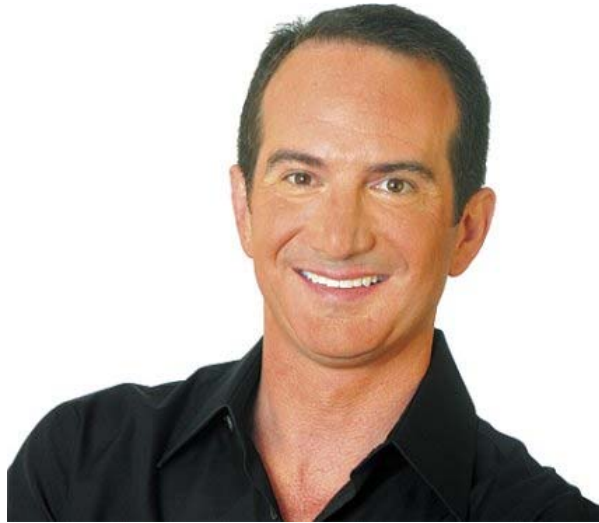




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Bach's new book, "Fight For Your Money" (Broadway, \$26), is in stores now.

Fight for your credit rights

Credit card companies going in for the kill

While the government attempts to tame the financial beasts who have brought the U.S. economy to its knees, credit card companies are next to go under the microscope, according to best-selling author David Bach. "The credit card industry is about to go through radical changes," he explains. "The next major debt crisis is going to be consumer debt."

Two bills currently being debated in Congress will tighten rules and regulations that these companies must follow in fairness to the consumer. That's the good news.

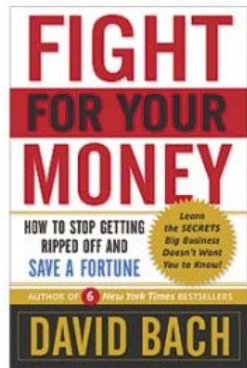
The bad news is that those companies are likely going to squeeze their customers as much as possible before the new laws go into effect in 2010.

"What's being looked at [in Congress] is late fees, over the limit fees, predatory interest rates — a lot of what the credit card industry may lose the ability to get away with come 2010," says Bach. "They're moving due dates on credit card payments, they're jacking up the interest rates, they're increasing the late fees. They're coming up with additional Mickey Mouse fees."

The credit card industry is rushing to try to get as much money out of consumers as they can before the bill is enacted."

Diligence is the only solution that can be offered at a time like this. The bright side, Bach explains, is that customer retention is also a priority these days, meaning that if you get squeaky, your credit card company may oil your gears.

"Even though the credit card industry is trying to rip people off as fast as they can legally, I think they're actually working with the consumer more because they're under a lot of pressure," says Bach. He recommends watching your credit card statements closely and calling to dispute charges. Ask your credit card company to lower your interest rate. If they refuse, ask them to close your account. Most likely, they will then grant your request. Bach adds that you shouldn't



TIP FROM BACH'S 'FIGHT FOR YOUR MONEY'

- Watch out for hidden "gotcha" clauses that jack up your interest rate.

A universal default provision gives the card company the right to raise your interest rate if you're over 30 days late paying any bill. This includes a telephone or utility bill that has nothing to do with your credit card. Forty percent of credit card issuers apply the universal default provision; call your provider to find out.

be afraid to call them 90 days later and ask them to lower it even further.

53M

Number of American households that contribute to the \$1 trillion credit card debt in this country.

METRO

HEIDI PATALANO