

the first to state that government controls are not needed in this area, but I would advise them to institute fair practices prior to such a statement.

R. M.,
Ann Arbor, Mich.

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Have any of the readers experienced Sears Roebuck's latest trick to increase their carrying charge?—Simple—just don't bother to post credits to your account until after the billing date. In this way they can collect your money and charge you interest on it also. It must be very prevalent as I caught it 3 times in 1 year on my account. Needless to say it's now closed.

W. S.,
Glenview, Ill.

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Why don't you mention the deceptive billing practices currently used by such large companies as Sears. Not only can't you read their statements (unless you look VERY closely) but they add their "carrying charges" whether or not the bill is paid in 30 days!

I have already returned one credit card from a local chain (Valu-Mart) because they added carrying charges upon carrying charges, and I no longer shop at their local outlet.

Currently (due to a change in billing practice from local to Los Angeles) I am fighting the same battles with Sears. At present I "owe" them \$1.28 in carrying charges over the past two months although I paid the bills within 10 days of receiving them. Although I have written two letters, with a third to go out with this mail. I have yet to see the courtesy of an answer. I may miss the convenience of shopping by phone, but Sears will probably get their credit card back too! The convenience is the only reason why I have a card anyway.

Incidentally, I do not have a Montgomery Ward credit card. Their latest practice is to add carrying charges immediately. There is another local outfit that charges *you* for the dubious "pleasure," before you even buy, of having their credit card!

Maybe I'm naive, but have 30 day charge accounts gone out of style? I may become a cash customer completely, and forget about writing checks. I just don't like being taken.

M. C.,
Federal Way, Wash.

CONSUMERS UNION EXHIBIT—SEARS, ROEBUCK OR MONTGOMERY WARD REVOLVING CHARGE ACCOUNT—SERVICE CHARGES AND INTEREST RATES ON A \$100 PURCHASE—MINIMUM MONTHLY PAYMENT AS INDICATED ON THE BILL, SERVICE CHARGE OF 1½ PERCENT

	Opening balance	Payment	Balance due	Service charge	Ratio of service charge to balance due	Monthly interest rate (percent)	Annual interest rate (percent)
1st month.....	\$100.00	\$10.00	\$90.00	\$1.50	\$1.50/\$90.00	1.67	20.0
2d month.....	91.50	10.00	81.50	1.37	1.37/ 81.50	1.68	20.0
3d month.....	82.87	10.00	72.87	1.24	1.24/ 72.87	1.70	20.0
4th month.....	74.11	10.00	64.11	1.11	1.11/ 64.11	1.73	21.0
5th month.....	65.22	10.00	55.22	.97	.97/ 55.22	1.76	21.0
6th month.....	56.19	10.00	46.19	.84	.84/ 46.19	1.82	22.0
7th month.....	47.03	10.00	37.03	.71	.71/ 37.03	1.92	23.0
8th month.....	37.74	10.00	27.74	.57	.57/ 27.74	2.05	25.0
9th month.....	28.31	10.00	18.31	.42	.42/ 18.31	2.29	27.0
10th month.....	18.73	10.00	8.73	.28	.28/ 8.73	3.21	39.0
11th month.....	9.01	9.01	-----	-----	-----	-----	-----
Total.....	-----	-----	-----	9.01	-----	-----	-----
Average.....	-----	-----	-----	-----	-----	-----	23.8
This type of billing method applies service charge rate to the opening balance—There is no service charge if payments and returns equal the opening balance, but if the customer makes a larger part payment than required, interest rate is higher than above, for example..							
	100.00	50.00	50.00	1.50	1.50/ 50.00	3.00	36.0