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May 9, 2005

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Re: Docket No. R-1226 (Proposed Amendment to Regulation CC/
Remotely Created Checks)

Dear Ms. Johnson:

We, the undersigned Attorneys General ("the Attorneys General"), submit the following comments to the Board of Governors of the Federal Reserve System ("the Board") in connection with the Board's pending proposal to amend Regulation CC with respect to demand drafts.¹ In brief, the Attorneys General take the position that demand drafts are frequently used to perpetrate fraud on consumers; that such drafts should be eliminated in favor of electronic funds transfers that can serve the same payment function; that if demand drafts are to continue to be used, the proposed originating-bank warranty of authorization should augment, not supplant, the existing receiving bank warranty; that demand drafts should be mandatorily marked as such; and that serious consideration should be given to extending the midnight deadline for returning unauthorized items to 60 days, as long as the ACH system is not adversely affected. Each of these points is discussed in turn below.

¹ Throughout these comments, unsigned paper drafts ostensibly bearing some statement reflecting drawer authorization (whether actually given or not) are referred to as "demand drafts," the term most commonly used by state law enforcement agencies. Such instruments are called "remotely created checks" in the Board's notice of proposed rulemaking.

1. Unauthorized demand drafts are often used to perpetrate fraud on consumers.

In recent years, fraudulent telemarketers and others engaged in consumer fraud have increasingly relied on bank debits to obtain money from consumers. The Federal Trade Commission (FTC) reports that 25 percent of all fraud complaints received by that agency in 2004 involved a bank debit—up 40 percent from the previous year.²

In late 2003, the National Automated Clearing House Association (“NACHA”) quoted its President as saying that “[m]any banks, as well as law enforcement and consumer protection agencies, are indicating that telemarketers have switched to using demand drafts now that they understand how easily their ACH payments can be traced.”³

The Office of the Comptroller of the Currency describes these two scenarios in which demand drafts are used to facilitate telemarketing fraud:

Example 1: The criminal calls a consumer and announces that the consumer has won a cash prize. The criminal explains that, to deposit the prize into the “winner’s” account, he or she needs the account information. Once the consumer provides the account information, the criminal prepares demand drafts and withdraws funds from the account. (A common variant is for the criminal to offer the consumer something for sale, such as a magazine subscription, in order to get the necessary account information.)

Example 2: A representative of a criminal organization contacts potential credit card users and promises to arrange for them to get VISA or MasterCard credit cards. The representative asks for checking account information to issue the card and, when the information is provided, prepares demand drafts against the consumers’ accounts.⁴

Anecdotal evidence from a number of states suggests that demand drafts employed by those engaged in fraud are a major problem for consumers. North Carolina reports having received many consumer complaints about unauthorized demand drafts, which have increased over time. Unfortunately, as is true in other states, much of the available data does not distinguish between demand drafts and other types of bank account debits.

One of the features of bank debits that makes them an ideal method of siphoning

² Compare FTC, National and State Trends in Fraud & Identity Theft, January-December 2004 at 7, with National and State Trends in Fraud & Identity Theft, January-December 2003 at 7.

³ *Unauthorized ACH Telephone Payments Down 88%; Telemarketers Switching to Demand Drafts*, ELECTRONIC PAYMENTS JOURNAL, Nov./Dec. 2003, at 7 (quoting NACHA President Elliott C. McEntee).

⁴ Office of the Comptroller of the Currency, *Check Fraud: A Guide to Avoiding Losses*.

money from consumers is that the ability of third parties to debit individuals' bank accounts without authorization appears not to be widely known. Unlike access to credit card numbers, which is commonly viewed as creating the risk of an unauthorized charge, the fact that a stranger can pull money out of a person's bank account using only the numbers at the bottom of his or her check is not commonly understood. "The surprise for many consumers is that withdrawals from their checking accounts can happen on a one-time basis, with no prior authorization."⁵ Back in 1996, even the FTC was surprised to learn about this.⁶

The harm that can befall consumers due to unauthorized demand drafts is illustrated by the case of Elizabeth C., a resident of North Carolina:

Ms. C. is an 86-year-old woman confined to an assisted living care facility. She receives \$640 in social security income, which is used to pay for her medical expenses. According to her daughter, Ms. C. received an unsolicited phone call at the care center in February 2004. Apparently, Ms. C. gave the telemarketer her bank account number and draft authorization to receive what the telemarketer claimed to be a "medical discount prescription" card. On February 23, 2004, \$399 was withdrawn from Ms. C.'s bank account by demand draft.

Within a matter of months, Ms. C.'s checking account was subject to 11 unauthorized demand drafts by unknown entities totaling \$3,885. According to the victim and her daughter, Ms. C. received only the February 2004 telephone call from a telemarketer. Ms. C.'s daughter closed and reopened a new bank account for her mother in October 2004.

Unfortunately, soon after her daughter closed her checking account, scammers misled Ms. C. by mailing her a form letter requesting her new checking account number. Again, from October 2004 to March 2005, Ms. C. was subject to unauthorized demand drafts, totaling \$3,330.

Over the past year, Ms. C.'s daughter has closed and reopened a new account for her mother twice, and yet third parties have still obtained unauthorized access to her checking account.

The victim's daughter recently has obtained Power of Attorney over her mother's financial affairs and has been required to open a separate bank account under her own name to protect her mother's meager monthly SSN income from unauthorized demand draft charges.

⁵ *Demand Draft Fraud*, Prepared Statement of the FTC presented by Jodie Bernstein, Director of the Bureau of Consumer Protection, before the House Banking Committee (Apr. 15, 1996); see also Consuelo Lauda Kertz & Lisa Boardman Burnette, *Telemarketing Tug-of-War: Balancing Telephone Information Technology and the First Amendment with Consumer Protection and Privacy*, 43 SYR. L. REV. 1029, 1056 (1992) (describing telemarketers' ruse of obtaining consumers' check account numbers ostensibly to verify a prize or sale).

⁶ *Id.*

A review of the demand drafts has revealed that many of the debits were initiated by the same entities using different merchant names and employing multiple third-party processors.

There are many stories like Ms. C.'s, and what is more, complaints about unauthorized bank debits are believed to be grossly underreported, perhaps because of the lack of public awareness of this type of bank account vulnerability. For example, in 2004, after the Vermont Attorney General's Office received a complaint from the adult daughter of a senior citizen concerning an unauthorized \$398 demand draft, state investigators uncovered some 100 unreported drafts by the same originator totaling \$40,000—a ratio of 100 to 1.

The *Pharmacycards.com* case being litigated by the FTC is another example.⁷ There, defendants used stolen corporate and individual identity documents to establish relationships with U.S.-based payment processors. The defendants then proceeded to initiate \$10 million in unauthorized demand draft debits from more than 90,000 consumers' accounts, \$139 at a time. Apparently, no consumer provided his or her bank account information to the defendants. The source of the bank account information is unclear. Even though over 50,000 of the transactions were cancelled or returned, more than \$1 million was wired to Cyprus before the scheme was shut down.

Consumers are not the only victims of unauthorized demand drafts. In January 2003, a bank in Vermont that had opened an account for a Canadian aggregator—who served as a middleman man for cross-border telemarketers—received a delivery of more than 700 demand drafts totaling some \$230,000, which were deposited in the aggregator's account. In the process the bank itself suffered a loss of \$10,500.

Similarly, a January 2002 survey by the Community Bankers of Wisconsin found that consumers in that state had lost \$2.8 million and financial institutions \$1.75 million during the previous year.⁸ In response to the same survey, one community bank monitored every third-party draft for a 16-month period, 2,032 drafts in all, and called account holders for which the bank did not have written authorization; 73% of the drafts were returned as unauthorized.⁹

⁷ See *FTC v. 3rd Union Card Services, Inc., d/b/a Pharmacycards.com*, No. CV-S-04-0712-RCJ-RJJ (D. Nev. May 24, 2004) (Complaint for Injunction and Other Equitable Relief).

⁸ Memorandum to the Wisconsin State Senate re Support of LRB-4416/2 (Jan. 28, 2002).

⁹ *Id.* Comments filed by banks in connection with the current rulemaking echo these concerns. See, e.g., comments of Patti Conrad, TowneBank/Security Officer (Mar. 9, 2005) ("Fraud activity has increased so much over the past two-three years on these paper drafts, and customer account information is easily compromised."); Sterling J.U. Laffitte, President, The Exchange Bank (Mar. 9, 2005) ("I am thrilled that you proposed a remedy to the ever increasing problem of these paper drafts. It has become highly abusive and these con artist[s] seem to often prey on the elderly."); Greg Messer, Operations Supervisor, Bank of Frio Canyon (Mar. 9, 2005) ("We at the Bank of Frio Canyon agree that fraud by paper drafts is becoming an increasingly serious issue that has touched us as well."); Carol Clausen, Vice President and Cashier, American State Bank (Mar. 14, 2005) ("We see many of our customers being hurt with this type of scamming going on and it seems to be increasing all the time."); Phil Menhusen, Executive Vice President,

There are several factors besides lack of consumer awareness that make demand drafts a useful tool in the fraudulent telemarketer's arsenal. One is the ease with which demand drafts can be created. Such drafts can be printed using software and ink that can be ordered over the Internet, or contracted out to companies that will print the checks for a fee.¹⁰ As one processor puts it,

Bank drafts or checks are used by merchants who cannot establish an ACH merchant account because they may operate in a high-risk [sic] industry. ... Our system is **very easy to use**. You simply upload a file of your transactions to our online gateway. We perform verification, "scrub the file," print the checks, deposit the checks, clear the funds and wire your funds to you. What could be easier?¹¹

A second feature of demand drafts favoring their use by those engaged in fraud is the fact that the perpetrator, or his processors, does not need to have special access to the banking system, such as is required to process ACH debits. A processor can deposit the drafts to his own bank account and wire the funds to the originator, or send the drafts to the originator or the originator's bank for deposit.

Moreover, since it is impossible to distinguish demand drafts from regular checks, it is difficult, if not impossible, to track the drafts, whether in real time or retrospectively. The potential for spotting national patterns of high returns, and thus taking preventive or systemic law enforcement action is undermined as a consequence.¹²

State Exchange Bank (Mar. 17, 2005) ("Unscrupulous tele-marketers and identity thieves are currently able to deposit unsigned checks into their accounts with impunity."). See also a comment more critical of the banking system itself from Rod Lueders, Vice President, Morgan Federal Bank (Mar. 8, 2005) ("It is obvious some banks cater to the telephone and internet scam industry and knowingly provide the conduit to enable these thieves to succeed.")

¹⁰ See, e.g., the websites of CheckMaster 2000, <<http://www.checkmaster.com>> (Apr. 5, 2005) (offering "MICR check printing packages" and estimating cost of printing drafts at less than two cents each); Accelerated Payment Systems, Inc., <<http://www.acceleratedpayment.com/pac.htm>> (Mar. 28, 2005) (offering to print demand drafts).

¹¹ National EFT, <<http://nationaleft.com/bankdrafts.html>> (Mar. 28, 2005).

¹² Legal restrictions with respect to demand drafts initiated by telemarketers exist, but are limited. At the federal level, the FTC's Telemarketing Sales Rule, 16 C.F.R. § 310.3(a)(3), requires express verifiable authorization, but that may involve no more than (1) a recorded verification, which will omit any deceptive initial call, and which is often ambiguous as to the consumer's authorization; or (2) an after-the-call written confirmation sent to the consumer, whose non-existence is difficult for the consumer to prove. It appears that only one state has a more rigorous requirement: Vermont's Consumer Fraud Act, 9 V.S.A. § 2464(b)(2), requiring prior written authorization by the consumer for any telemarketing-initiated demand draft, and effective July 1, 2004, imposing strict liability on parties that process drafts without such authorization. See <<http://www.leg.state.vt.us/docs/legdoc.cfm?URL=/docs/2006/bills/passed/H-162.htm>> Contrast these limited and geographically-isolated restrictions with NACHA's broad ban on ACH debits initiated as the result of an outbound telemarketing call to a person with whom the caller has no existing business relationship.

Finally, it is not uncommon for consumers to encounter difficulty obtaining a recredit to their bank account when—if at all—they discover an unauthorized demand draft.¹³ Barriers include unclear or restrictive time frames for requesting a return, uninformed or hostile bank tellers, and the lack of incentives—or the existence of disincentives—to the receiving bank's initiating the return process.¹⁴

2. Demand drafts should be eliminated unless the business community can demonstrate their necessity to the national economy.

The Board is seeking comment on the prevalence and uses of remotely created checks. Unfortunately, the Attorneys General have not been able to identify any reliable source of "hard" data that would be responsive to this question. However, anecdotal evidence suggests that demand drafts are used by legitimate businesses to only a limited extent at this time.

Specifically, in 1996, the FTC declined to require written authorization for demand drafts by telemarketers as part of its Telemarketing Sales Rule because information provided to the agency "tended to refute the proposition that demand drafts are characteristic solely of deceptive telemarketers."¹⁵ In its explanation for the decision, the FTC said that commenters had noted that Fortune 500 companies and other businesses "characterized by quick turn-around transactions now use demand drafts because they recognize that not everyone has a credit card."¹⁶ The FTC specifically cited as examples of businesses that use demand drafts two of the baby Bells, GEICO, Citicorp, Telecheck, Equifax, Bank of America, Discover Card, Dun and Bradstreet, Olan Mills, and First of America Bank.¹⁷

However, it turns out that now, nine years after the FTC rulemaking, some of these same companies do *not* use demand drafts, or use them to a limited or reduced extent.¹⁸ This change may be explained by the fact that the ACH system now serves as

¹³ See Christopher M. Grengs & Edward S. Adams, *Contracting Around Finality: Transforming Price v. Neal from Dictate to Default*, 89 MINN. L. REV. 163, 186 (2004) (noting that payor bank can claim that account holder's negligence led to unauthorized debit; "The resulting, strong-form conclusion is that, 'consumers can virtually never enforce their rights against a bank because it will simply be too expensive to do so.'" (quoting Mike Mills, *FCC Proposes Clampdown On 900-Number Services*, CONG. Q. WKLY. REP. (Mar. 16, 1991) at 664)).

¹⁴ See, e.g., Uniform Commercial Code § 4-406(c), requiring that as a condition of successfully asserting lack of authorization against the payor bank, the customer must exercise "reasonable promptness" in examining his or her bank statement and "promptly" notify the bank—without any further specification of how long the customer has to discharge those obligations.

¹⁵ 60 Fed. Reg. 43842-01, 43849 (1995).

¹⁶ *Id.*

¹⁷ *Id.* n.80.

¹⁸ Telephone calls from Vermont Investigator Rose Hayes to Laura Carden, Chief Financial Officer, Olan Mills (Apr. 11, 2005) (company no longer uses demand drafts); to Ed Gross, Director, Treasurer's Office, GEICO (Apr. 11, 2005) (currently 4% of company's payments are by demand draft, but that percentage is

an adequate substitute for businesses and consumers wanting to debit bank accounts remotely.

The importance of this issue to the pending rulemaking is clear: if demand drafts are not commonly used, or if there is a ready substitute for them, then one approach to addressing demand draft fraud is to eliminate the use of the drafts entirely. That would be consistent with the course chosen by the Canadian Payments Association ("CPA"), which, effective January 1, 2004, prohibited pre-authorized debits, including demand drafts, which are not supported by an underlying written authorization.¹⁹ According to the CPA, inquiries directed to its major members indicate that the ban has been very successful in two ways: demand drafts are not showing up in the Canadian banking system; and there has been no complaint about the ban from companies that may have used these instruments in the past, such as bill collectors and payday lenders.²⁰

The Board has the authority to prohibit demand drafts under the Expedited Funds Availability Act, 12 U.S.C. § 4008(c)(1). That subsection states, "In order to carry out the provisions of this chapter, the Board of Governors of the Federal Reserve System shall have the responsibility to regulate—(A) *any* aspect of the payment system, including the receipt, payment, collection, or clearing of checks; and (B) *any related function of the payment system with respect to checks.*" (Emphasis added.)²¹

3. Originating banks as well as receiving banks should bear warranty liability.

expected to drop to less than 1% as ACH debits are required); to Richard Goerss, Corporate Vice President and Regulatory Counsel, Equifax (Apr. 12, 2005) (company has sold its collections business and does not use demand drafts); to Kim Smith, Director of Banking Relations and Credit Policy, Verizon (Apr. 12, 2005) (company does not use demand drafts); David Sloboden, Vice President, Legal, Litigation and Human Resources, Dun & Bradstreet (Apr. 13, 2005) (before the sale of its collections department, Dun & Bradstreet used demand drafts, but it does not use them now); telephone call from Vermont Assistant Attorney General Elliot Burg to James Swift, Vice President and Assistant General Counsel, Discover Financial Service, Inc. (Apr. 12-13, 2005) (demand drafts represent 2% of credit card payments; company would prefer to use ACH, but for the need under Regulation E to obtain written authorization from consumers who are making more than two payments); email from Sheri L. Mullane, Assistant General Counsel, Bank of America to Investigator Rose Hayes (Apr. 14, 2005) (bank uses demand drafts in approximately 4% of its transactions). First of America Bank was bought out by two other banks and no longer exists. Efforts to obtain comparable information from CitiGroup and Telecheck were unsuccessful.

¹⁹ CPA, Rule H1 (Pre-Authorized Debits (PADs)) §2. ("Any debit issued by a payee, such as a one-time debit, that is not supported by an underlying pre-authorized written agreement is not permitted under this rule.") A "pre-authorized debit" is a payment item issued by a payee that is drawn on the account of a payor held by a processing institution. § 5(i).

²⁰ Telephone call from Doug Kreviazuk, Vice-President, Policy and Research, CPA, to Elliot Burg, Vermont Assistant Attorney General (Apr. 7, 2005).

²¹ If the business community does demonstrate a legitimate need for demand drafts in some situations, the Board may also wish to consider permitting such drafts *only* where an account holder has expressly authorized his or her bank to accept them for purposes of debiting the account, in combination with requiring originating banks to warrant authorization and mandating a special MICR identifier (see section 4 of the text).

In the event that the Board does not undertake to prohibit the use of demand drafts, it should clarify that the imposition of warranty liability on the originating bank with respect to the drawer's authorization for a demand draft is *in addition to* the comparable warranty liability now borne by the receiving/drawee bank. That is, updating the rule of *Price v. Neal*²² should not mean that consumers have no direct recourse from their own bank for unauthorized demand drafts.

This clarification is particularly important because of the possibility that banks—for instance, foreign banks not subject to the Board's rules—could occupy the role of originating financial institution. If the originating bank cannot be compelled to make the consumer whole, then as between the consumer and the consumer's bank (assuming lack of authorization and prompt notification by the account holder), the bank is in the better position to protect itself.

Otherwise, a national standard requiring originating banks to warrant that demand drafts are authorized is unquestionably better for consumers than a state-by-state approach. At present, originating banks in most states²³ are not subject to a warranty-of-authorization obligation, which can create a disincentive for consumers' banks to recredit their customers' accounts, since they (the consumers' banks) may end up absorbing the loss.

In a related vein, the Board should consider extending the benefits of the proposed warranties (or clarifying that the warranties extend) to the *drawer*, so that the account holder would have a regulatory warranty claim against his or her own bank. The existence of this claim would enhance the incentives for the payor bank, in a close case, to make its customer whole and pursue the warranties "upstream" to the depository bank.

As for the question of whether there should be a distinction drawn between consumer and non-consumer accounts, the better view is to reject such a distinction. For one thing, having to identify accounts as falling into one category or the other can be logistically difficult. For another, at least in some states, businesses can be considered "consumers" for some purposes²⁴ and should, in those contexts, receive no less protection than individual consumers.

4. Demand drafts should be specially marked as such.

The Board has asked whether demand drafts should be specially marked in the MICR line. It is true, as the Board notes, that those initiating or processing an unauthorized draft are unlikely to comply with such a requirement. For this reason, consideration should also be given to ways of optically or otherwise recognizing demand

²² 97 Eng. Rep. 871 (K.B. 1762).

²³ This reference is to the banks in all but the 14 states that have amended their Uniform Commercial Codes to create such a warranty obligation.

²⁴ See, e.g., 9 Vt. Stat. Annot. § 2451a(a).

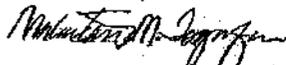
drafts based on their unsigned nature. If there were ways of tracking demand drafts similar to the methods available for ACH debits, that would be beneficial to law enforcement agencies.

5. Extension of the midnight deadline.

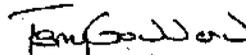
The Board has also asked for comment on whether the midnight deadline for returning items as provided for in the UCC²⁵ should be extended—for example, to 60 days, as is the case with ACH transactions. If the Board determines that the ACH system has not been adversely affected by its longer deadline—that legitimate commerce has not been impeded by permitting returns for unauthorized electronic debits for a considerably longer time than with respect to paper drafts—then serious consideration should be given to applying at least an 60-day return period to demand drafts. If a receiving bank has the option of returning an unauthorized demand draft to the originating bank, rather than pursuing a potentially more expensive and uncertain warranty claim, that should make it easier for consumers to recover funds lost due to fraud.²⁶

We appreciate this opportunity to comment on the proposed rule, and thank you for your consideration of our views. If you have questions about these comments, please feel free to contact Elliot Burg, Vermont Assistant Attorney General, at (802) 828-2153; Erin Leahy, Ohio Assistant Attorney General, at (614) 752-4730; or Dennis Cuevas, NAAG Consumer Protection Project Manager and Counsel, at (202) 326-6019.

Sincerely,



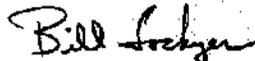
Malaetasi M. Togafau
Attorney General of American Samoa



Terry Goddard
Attorney General of Arizona



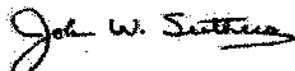
Mike Beebe
Attorney General of Arkansas



Bill Lockyer
Attorney General of California

²⁵ See UCC §§ 4-301 and 4-302.

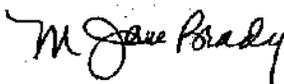
²⁶ Many of the comments filed by bankers in response to this rulemaking support extension of the deadline to 60 days. See, e.g., comments of Lucy Jones, Executive Vice President, Western National Bank (Mar. 15, 2005); Stacey Adkins, Assistant Vice President, Hebron Savings Bank (Mar. 25, 2005); Beverly F. Rutherford, Vice President/Compliance, Virginia Credit Union (Mar. 30, 2005); Carlton Cowan, Fraud Prevention Officer, The Bank of Edwardsville (Mar. 18, 2005).



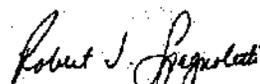
John W. Suthers
Attorney General of Colorado



Richard Blumenthal
Attorney General of Connecticut



M. Jane Brady
Attorney General of Delaware



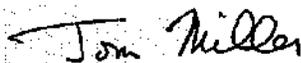
Robert J. Spagnoletti
Attorney General of the
District of Columbia



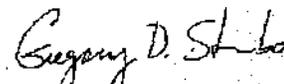
Stephen H. Levins
Executive Director
Office of Consumer Protection of Hawaii*



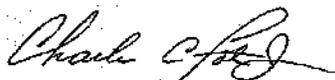
Lisa Madigan
Attorney General of Illinois



Tom Miller
Attorney General of Iowa



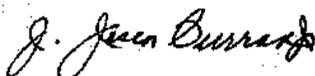
Gregory D. Stumbo
Attorney General of Kentucky



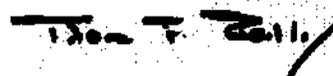
Charles C. Foti, Jr.
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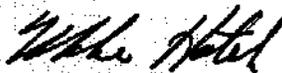
G. Steven Rowe
Attorney General of Maine



J. Joseph Curran, Jr.
Attorney General of Maryland



Tom Reilly
Attorney General of Massachusetts



Mike Hatch
Attorney General of Minnesota



Jim Hood
Attorney General of Mississippi

*Of the states listed, Hawaii is not represented by its Attorney General. Hawaii is represented by its Office of Consumer Protection, an agency which is not a part of the state Attorney General's Office, but which is statutorily authorized to represent the State of Hawaii in consumer protection actions. For the sake of simplicity, the entire group will be referred to as the "Attorneys General," and such designation as it pertains to Hawaii, refers to the Executive Director of the State of Hawaii Office of Consumer Protection.



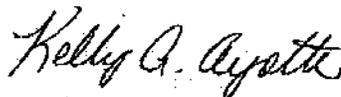
Mike McGrath
Attorney General of Montana



Jon Bruning
Attorney General of Nebraska



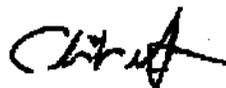
Brian Sandoval
Attorney General of Nevada



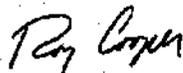
Kelly A. Ayotte
Attorney General of New Hampshire



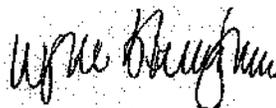
Patricia A. Madrid
Attorney General of New Mexico



Eliot Spitzer
Attorney General of New York



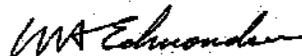
Roy Cooper
Attorney General of North Carolina



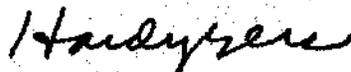
Wayne Stenehjem
Attorney General of North Dakota



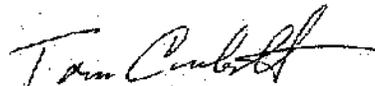
Jim Petro
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W. A. Drew Edmondson
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Hardy Myers
Attorney General of Oregon



Thomas W. Corbett, Jr.
Attorney General of Pennsylvania



Patrick C. Lynch
Attorney General of Rhode Island



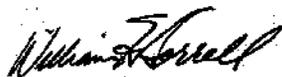
Henry D. McMaster
Attorney General of South Carolina



Lawrence E. Long
Attorney General of South Dakota



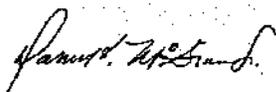
Paul G. Summers
Attorney General of Tennessee



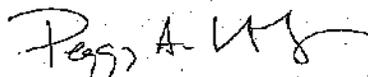
William H. Sorrell
Attorney General of Vermont



Rob McKenna
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Darrell V. McGraw, Jr.
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Peg Lautenschlager
Attorney General of Wisconsin