

**Docket No. R-1314 (Regulation AA)**  
**Meeting at the Federal Reserve Board on August 26, 2008**

On August 26, 2008, Norah Barger, Deputy Director, Division of Banking Supervision and Regulation, Federal Reserve Board (Board), met with representatives from the American Securitization Forum (ASF) to discuss the proposed rules under the Federal Trade Commission Act (Regulation AA). The representatives of the ASF included Tom Deutsch and Thomas Feil (ASF), Scott McCarthy (Bank of America), Amy Amsler (Capital One), Stephen Etherington and Ray Messina (Discover), Keith Schuck (Chase Bank USA), Jill Hershey (Securities Industry and Financial Markets Association), Ben Klubes and Ben Stein (Skadden Arps), and Michael Mitchell (Orrick Herrington). Additional Board staff attending the meeting included Leonard Chanin, Associate Director, Division of Consumer and Community Affairs, and Glenn Canner, Senior Advisor, Division of Research and Statistics.

The ASF expressed concern about the impact of the proposed rules on the market for securities backed by credit card receivables. In particular, the ASF stated that, as proposed, the restrictions on the ability to reprice existing balances for risk would not provide sufficient flexibility and could negatively affect credit card securities. The ASF also stated that the proposed exception for accounts with variable rates would not adequately allow issuers to respond to changes in market conditions. Finally, the ASF raised concerns that the proposed rules could lead to significant litigation costs for issuers.