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November 19, 2009

By Electronic Delivery

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

RE: Regulation Z: Docket No. R–1370 (Proposed Rule)

Dear Ms. Johnson:

In the following comments, we respond to the Board's proposed rulemaking under Regulation Z, published at 74 FR 202 (October 21, 2009) at p. 54201 et. seq., based in part on new requirements found in the Credit CARD Act of 2009 ("the Act") including amendments to the Truth in Lending Act ("TILA"). A summary of our comments begins on the following page.

Please note that we recently submitted other comments on the Board's proposed rulemaking under Regulation Z pursuant to Docket No. R—1364, Interim Final Rules, published at 74 FR 139 (July 22, 2009) at p. 36077 et. seq. In some cases we have discussed our earlier comments in the following document, but we refer you to our prior letter (dated September 21, 2009) for full details. This letter, as well as our research on current credit card industry practices, is available on our website, at www.pewtrusts.org/creditcards.

The Safe Credit Cards Project is part of the Pew Health Group's efforts to promote safe and transparent consumer products. The Project began in 2007 as a research-based effort to protect consumers from unfair credit card practices and to promote responsible management of debt. We have published a set of Safe Credit Card Standards and several reports based on our research and analysis. Most recently, in October of this year we released a report based on our analysis of all credit cards offered online by the largest 12 bank issuers and the largest 12 credit union issuers. As always, we are available to discuss our research, the following comments or any other aspect of our work at any time.

Sincerely,

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Summary of Comments

A. Changes in Terms and Interest Rate Increases

1. **Exceptions to § 226.9 disclosure requirements and § 226.55 limitations on increases in APR, which would apply for truly variable interest rates, should not be available regarding any account for which the issuer provides "partially variable rates" with fixed minimum rate requirements.**

   Revised TILA Section 171(b)(2) provides important exceptions specifically for accounts designed "in accordance with a credit card agreement that provides for changes in the rate according to operation of an index that is not under the control of the creditor and is available to the general public." These exceptions allow interest rates on existing balances to increase as market indexes go up, and exempt issuers from certain advance notice requirements when that occurs.

   In our September, 21, 2009 comment letter, we identified a concern about accounts featuring partially variable rates with fixed minimum rate requirements, and we asked the Board to adjust its proposed rules accordingly.[1] Below, we briefly reiterate these concerns and provide additional data on the use of partially variable rates in the market.

   Since the end of 2008, there has been a sharp increase in the number of credit cards that feature partially variable interest rates. These cards are issued according to agreements that allow for interest rates to rise according to the operation of a third party index rate, but prevent rates from falling below a fixed minimum rate controlled by the card issuer, regardless of movements in the index rate. Accordingly, they do not meet the statutory thresholds for the variable rate exemptions provided in new TILA Section 171(b)(2) and implemented in the Board's proposed Sections 226.9(c)(2)(v)(C) and 226.55(b)(2).

   Therefore, cards featuring partially variable rates must remain subject to the new TILA Section 171(a) prohibition on raising rates on outstanding balances, and the revised TILA Section 127(i) advance notice requirements, and the Board should amend and clarify its proposed rules accordingly. The Board should require issuers to fulfill the general notice requirements found in Section 226.9, as well as the Section 226.55 general limitations against increasing interest rates on outstanding balances, for any account that includes partially variable rates.

   As use of minimum rate requirements increases, problems of deception or confusion may also arise. Currently, we have no data on the extent to which consumers are misled or deceived by the minimum rate rule. We encourage the Board to scrutinize the practice not only for compliance with the Credit CARD Act, but also for signs that it is undermining the goals of that Act, the Federal Trade Commission Act or other laws by hindering pricing transparency or exposing consumers to unfair, misleading or deceptive practices.

[1] Nick Bourke, "Regulation Z; Docket No. R—1364 (Interim Final Rule)" (The Pew Charitable Trusts, September 21, 2009), available at http://www.pewtrusts.org/news_room_detail.aspx?id=55149 . See p. 2 et. seq. for discussion of partially variable rates with fixed minimum rate requirements. More information about partially variable rates is available in our latest report, "Still Waiting" (note 4, infra).

In Appendix A, we provide data showing the significant growth in the use of partially variable rates, and examples of how this mechanism is being used. In some cases, cards included fixed minimum rates that were as much as five percentage points higher than the disclosed variable rate formula would otherwise provide.

2. **Proposed Section 226.55 should be modified to make it clear that the given limitations on increases in annual percentage rates, fees and charges cannot be waived, and that creditors cannot propose to raise the relevant rates, fees and charges in exchange for benefits or upgrades.**

Proposed Section 226.55 clearly states that creditors may not increase specified annual percentage rates, fees or charges, including interest rates on existing balances, except under limited circumstances as allowed under the Credit Card ACT. However, we encourage the Board to clarify that these limitations cannot be waived by the consumer, even in exchange for an issuer's offer of upgrades, exemption from new fees or other new terms, or other offers. The Board's comments suggest it would not allow waiver of these rights, for example in the context of balance transfers between accounts offered by the same creditor ("Because proposed § 226.55 generally prohibits card issuer A from increasing the rate that applies to that balance, it would be inconsistent with § 226.55 to allow card issuer A to reprice that balance simply by transferring it to another of its accounts."). 74 FR 202 at p.54177; see also proposed Comment 226.55(d)—3.

However, creditors have a strong monetary incentive to find ways to raise rates and fees. Absent the Board's clarification that waivers are not allowed under any circumstances, creditors may encourage consumers to agree to account changes contrary to proposed Section 226.55. In addition to balance transfers, creditors may seek to apply higher rates or fees to existing accounts in exchange for providing "upgrades" or waivers of new types of proposed fees. Already, some issuers have reportedly tested schemes to convince customers to give up previously provided low-rate offers in exchange for avoiding increases in their required minimum payments, for example.[2] Allowing consumers to trade off these protections of the Act would not only be inconsistent with the plain language of the statute but would increase the risks of unfair or deceptive practices relating to raising rates and fees applicable to outstanding balances.

We encourage the Board to amend proposed rule 226.55 to include a statement that the limitations on increases in rates, fees and charges cannot be waived and that creditors may not make any offers to debtors contingent on actions that would run contrary to the protections and requirements of the Act or the Board's rules.[3]

3. **The Board correctly notes the possibility for consumer confusion regarding notices of rights to reject interest rate increases. Rather than responding to this concern by**

[2] Kim, Jane and Mary Pilon, "Credit-Card Users Face Higher Fees, Rates," Wall Street Journal (November 20, 2008).
[3] Indeed, the Board should make it clear that, in general, regulations that limit creditors' actions for consumer protection purposes cannot be waived, and that creditors cannot attempt to induce consumers in ways that would run contrary to such regulatory protections.

eliminating the consumer's right under the Act to reject proposed increases in interest rates, the Board should require issuers to respect the consumer's decision to reject.

The Board has proposed to eliminate a consumer's right to reject account changes that would lead to higher interest rates. The Board's proposal is based in part on its assertion that revised TILA Section 171 "renders the right redundant" by generally prohibiting creditors from applying higher rates of interest to balances in existence as of 14 days after the issuer has given the required Section 226.9(c) or (g) notice. The action is also suggested as a way to avoid consumer confusion ("notifying consumers that they have a right to reject a rate increase could be misleading insofar as it could imply that a consumer who does so will receive some additional degree of protection (such as protection against increases in the rate that applies to future transactions)"). 74 FR 202 at p.54154.

The Board's new proposed rule is contrary to the plain language of the Act, and represents a reversal of the course charted by the Board in its prior rulemaking under the Act on this exact point. The Board came closer to getting it right the first time. We urge the Board to implement the consumer's right to reject rate increases by requiring issuers either to close the account when a cardholder rejects an increase or to maintain the prior interest rate for future transactions. Issuers should not be allowed to impose their new rate in the face of a consumer exercising his or her right to cancel under the Act.

Revised TILA Section 127(i) specifically states, in paragraph (1), that "in the case of any credit card account under an open end consumer credit plan, a creditor shall provide a written notice of an increase in an annual percentage rate" and, in paragraph (i)(3), that each such notice "shall contain a brief statement of the right of the obligor to cancel the account pursuant to rules established by the Board before the effective date of the subject rate increase…."

This statutory language explicitly creates an obligation on the part of creditors both to notify obligors before "an increase in an annual percentage rate" will take effect, and to provide each obligor with notice of the right to cancel and avoid the proposed increase. In the July interim final rule, the Board expressly recognized this language "as establishing a substantive right for consumers… to avoid the imposition of that increase or change by rejecting it…." 74 FR 139 at p. 36087. However, the Board has now proposed to exempt creditors from this requirement and deny consumers the right to receive notice and cancel accounts in cases where issuers propose to raise interest rates. This action has no support in the Act.

In addition to contradicting the statutory language and reversing the Board's earlier commitment to protect this statutory right, the new proposed rules would allow current problems associated with "hair trigger" penalty interest rate increases to continue. Even under the Act, card issuers will remain free to impose steep and sudden interest rate increases as a penalty for delinquency, overlimit transactions or other cardholder actions. Consumers need all the protections the Act provides against such practices.

Our research has shown that the vast majority of credit card accounts are currently subject to significant delinquency/penalty interest rate increases predicated on relatively minor transgressions, and we expect those practices to continue to the extent they are allowed by law. Based on our survey of all consumer credit cards offered online by the largest 12 bank issuers, we found the following:

- All of the largest 12 credit card issuers used penalty rate provisions (currently, these provisions apply uniformly for both existing and outstanding balances).

- 90 percent of all credit cards offered by these issuers contained penalty rate provisions. Among these cards, 51 percent could trigger penalty rates immediately based on a single missed due date, and most of the rest (39 percent) could be triggered immediately upon the second missed payment in a 12-month period.

- 80 percent of bank penalty rates could be triggered by one or more overlimit transaction.

- The median penalty interest rate was 28.99 percent annually.[4]

In earlier rulemaking, the Board commented that allowing repricing based on one or two late payments in twelve months would not sufficiently protect consumers from unfair surprise. The Board referred to the practice as "hair trigger" repricing and noted the danger that consumers may not receive sufficient time to learn of the delinquency and cure it. 74 FR 18 (January 29, 2009) at p.5527. Though the Board appeared to be discussing delinquency/penalty interest rate increases on existing balances, similar concerns arise from penalty interest rate increases on future transactions.

Allowing issuers to continue authorizing transactions, including automatic transactions, despite their customers' explicit instructions, would leave too many consumers vulnerable to the very kinds of harmful or deceptive practices the Board has already identified in relation to penalty interest rate increases. As the Board correctly notes, penalty rate increases will soon be prevented by law from taking effect for new transactions sooner than 14 days after an issuer notifies a cardholder of the change. But it does not follow that consumers should be denied the right to tell their creditors not to extend credit or authorize transactions under the new terms. In fact, the Act provides the right to cancel as well as the 14 day notification rule.

The Board should effectuate the Act's clear intention to protect consumers and give them more control over their accounts, by putting the burden on issuers to honor a cardholder's decision to reject a rate increase – by either closing the account to further transactions or allowing the account to remain open under previous interest rate conditions.[5]

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[4] "Still Waiting: 'Unfair or Deceptive' Credit Card Practices Continue as Americans Wait for New Reforms to Take Effect," The Pew Charitable Trusts (October 2009), available at www.pewtrusts.org/creditcards. See p. 6 et. seq. for discussion of penalty interest rate increases in the market.

[5] For a discussion of the legislative goals underlying the CARD Act of 2009, see, e.g., Senate Banking Committee Report 111-16, "Amending the Consumer Protection Act, to Ban Abusive Credit Card Practices, Enhance Consumer Disclosures, Protect Underage Consumers, and for Other Purposes,", submitted by Senate Banking Committee Chairman Chris Dodd (May 4, 2009), available at http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:sr016.111.pdf ("The 'Credit Card Accountability Responsibility and Disclosure Act of 2009' was developed to implement needed reforms and help protect consumers by prohibiting various unfair, misleading and deceptive practices in the credit card market").

Additionally, we encourage the Board to include, in Section 226.9(c)(2)(iv)(B) and elsewhere, provisions requiring the right to reject be prominently displayed in any notice regarding proposed increases in interest rates. Proposed exceptions allowing creditors to apply higher rates to any transaction occurring 14 days after notice of rate increases, but before cardholders rejected the proposed rate increase within their 45-day window, could still apply provided creditors reverse the change or close the account upon receiving the cardholder's instructions. Likewise, creditors could remain free to inform customers, if applicable, that rejecting the proposed rate increase would lead to cancellation of the account.

4. The proposed exception, for accounts that are 60 days past due, to the requirement to notify cardholders of their rights to cancel and avoid interest rate increases or other significant changes is unwarranted and overbroad.

In proposed Section 226.9, the Board has implemented the Act's requirements related to providing debtors with notice of the right to cancel accounts and reject a creditor's proposed rate increases or other significant change in terms. The proposal creates exceptions stating that the right to reject will not apply where the creditor has not received the required minimum payment within 60 days after the due date.

We encourage the Board to require issuers to provide cardholders with notice of the right to cancel upon any interest rate increase or other significant change in the account terms, even if the account is 60 days past due. In our September 21, 2009 comment letter to the Board (Docket No. R—1364), we explained some of our reasoning.[6] Below, we briefly reiterate the two basic reasons for our objection to the proposed exception, and we also provide additional comment based on our reading of the Board's current proposed rules.

First, the Credit CARD Act provides consumers the right to reject penalty interest rate increases on existing balances, even when the account is 60 days past due. The Act's language was designed to protect cardholders from interest rate increases on outstanding balances, something the Board itself has determined to cause "substantial consumer injury." 74 FR 18 (29 January 2009) at pp. 5522. Congress created the 60-day exception as a bright-line rule indicating where issuers were permitted to subject outstanding balances to an interest rate increase if the cardholder did not reject the increase. Congress did not intend for this exception to trump the cardholder's separate and independent right to cancel. In fact, Congress specifically established that consumers have a "right to cancel" that includes the right to avoid disclosed changes that are the subject of the notices required in new TILA Section 127(i)(1) and (2), including notices of penalty interest rates triggered by 60-day delinquencies. Please see our September 21, 2009 comment letter to the Board for additional discussion.[7]

Second, even if the Board holds that this exception to the right to reject retroactive penalty interest rate increases is consistent with the Act and appropriate, the proposed rules are overbroad, and go too far in appearing to exempt all accounts that are 60 or more days past due from the right to reject *any* significant change. The Board's true concern in creating the exception appears to be preventing cardholders from rejecting penalty interest rate increases

[6] Bourke (September 21, 2009), supra note 1, at p. 3 et. seq.
[7] Ibid.

triggered according to the provisions of new TILA Section 171(b)(4). However, as written, the Board's proposed rules, including proposed Sections 226.9(c)(2)(iv)(B) and 226.9(h)(3), would seem to remove *all* rights to reject changes for cardholders whose accounts are 60 days past due, including not only changes in annual percentage rates but also changes to late fees, fees for issuance or availability of the account, transaction charges, grace periods or a variety of fees and methods of calculating charges. This result would run contrary to the goals and language of the Act.

Instead, any exception should be narrowly tailored. Particularly in light of the Board's current proposal to remove notice of right to cancel requirements for any increase in interest rate (which we have encouraged the Board not to do, see part A3 of these comments), the blanket exemption for accounts that are 60 days past due is unnecessary and overbroad. We urge the Board to amend the proposed rules regarding accounts that are 60 days past due, either to remove the penalty interest rate exemption completely or, at a minimum, to require issuers to provide notice of right to cancel for all significant changes other than rate increases.

5. The Section 226.55 "delinquency exception" rules should be adjusted to clarify that issuers are free to remove delinquency/penalty interest rate increases after less than six months of on-time payments, or according to "rolling cure periods."

Proposed Section 226.55(a) implements the Credit CARD Act's general prohibition against raising interest rates on outstanding balances, found in new TILA Section 171(a). Certain exceptions apply, including Section 226.55(b)(4), implementing the exception found in new TILA Section 171(b)(4), which allows specified delinquency/penalty interest rate increases provided the issuer meets certain requirements, including providing notice "that the increase will terminate not later than 6 months after the date on which it is imposed" if the cardholder pays on time during that period. However, proposed Section 226.55(b)(4)(i)(B) would require issuers to disclose that the penalty rate increase "will cease to apply if the card issuer receives six consecutive required minimum periodic payments…." We request that the Board modify the rule's language to clarify that issuers may, at their discretion, provide that such rate increases will cease to apply after a period of less than six months, as permitted by the Act, and notify customers accordingly.

Additionally, we note to the Board that although few credit card issuers currently guarantee to reverse delinquency/penalty interest rate increases after a period of on-time payments (also called a "cure"), our research shows that *all* issuers that do currently offer a cure period provide a "rolling" cure period. That is, the issuer guarantees a rate reduction or restoration of the original non-penalty rate after the cardholder makes a certain number of consecutive on-time payments, *regardless of whether those payments begin immediately when the penalty rate is imposed*. The following data, taken from a report we issued in October of this year, demonstrates the use of cure periods today.[8]

[8] "Still Waiting," supra note 4, at p. 6 et. seq. All data is taken from our July 2009 review of application disclosures for all general purpose consumer credit cards offered online by the largest 12 bank issuers and largest 12 credit union issuers.

- Nineteen of the 24 surveyed issuers used penalty rates, but only 4 guaranteed they would restore original non-penalty rates once cardholders resumed on-time payment ("cure").

- Pentagon Federal Credit Union offered the shortest cure period (3 consecutive months of on-time payment), followed by USAA (6 months), Capital One (12 months) and Wescom (12 months). One issuer, Bank of America, promised to reduce rates partially after six months of on-time payments (by a minimum of two percentage points).

- In all cases, disclosed cure period were "rolling," i.e., they would apply after the stated number of months of on-time payment even if the cardholder failed to resume the on-time payment immediately when the delinquency/penalty rate was imposed.

The Board should not roll back this consumer-friendly "best practice" but support it. We urge the Board to clarify the proposed rules, and perhaps add accompanying clarifying commentary, to show that shorter and/or rolling cure periods are acceptable and encouraged.[9]

B. Fees for Overlimit Transactions

In general, we object to the Board's characterization of overlimit fees as "service" fees (see, e.g. proposed Section 256.56(e)(iii)). The Act clearly characterizes an overlimit fee as a penalty in new TILA Section 149 and requires issuers to refrain from charging the fee except where an account is actually overlimit and the consumer has agreed to be subject to the fee. However, the Board seems to contemplate the possibility of "service fees" for overlimit protection even where accounts do not go overlimit. We object to this treatment of overlimit fees in general and provide the following specific recommendations.[10]

[9] Rolling cure periods should be encouraged because they protect against indefinite or inescapable penalty rate increases by allowing cardholders to restore non-penalty rates of interest whenever they resume on-time payment behavior, whereas the rules as proposed would allow some cardholders who cannot *immediately* resume on-time payment to be penalized indefinitely even if they later make many months of on-time payment. The Board has a further opportunity to prevent the application of indefinite penalty rate increases on outstanding balances when it issues rules on "reasonable and proportional" penalties in the coming months.

[10] We have previously asked the Board to ban *all* overlimit fees, consistent with our Safe Credit Standards (the Standards are published in our March, 2009 report available at www.pewtrusts.org/creditcards). In short, the burdens of implementing and enforcing safeguards required to protect against confusion and unfair, deceptive or misleading practices related to overlimit fees do not warrant continued use of the fee. Further, we question whether overlimit fees may continue to be justified once new TILA Section 149 ("reasonable and proportional" penalty fees and charges) takes effect in 2010. The Act provides specific factors (cost, deterrence and cardholder behavior) as the basis for judging reasonability and proportionality. Because overlimit fees are processed automatically, it is unclear what additional costs the issuer may be said to incur due to the "violation or omission of the cardholder." Further, since issuers fully control how and when accounts may exceed the credit limit, there is no basis for justifying an overlimit fee on grounds of deterrence or punishment of overlimit transaction behavior, particularly since issuers may better serve these goals by denying any overlimit transaction in the first place. We encourage the Board to prohibit overlimit fees entirely when it issues rules under new TILA Section 149 in the coming months.

1. **The Board should prohibit periodic fees for coverage of overlimit transactions that apply even if the consumer has not exceeded the credit limit.**

The Board stated its intent to require any creditor plan that includes a periodic "account or maintenance fee" related to overlimit transactions, "regardless of whether the consumer has exceeded the credit limit during a particular cycle," to be subject to the general opt-in requirements of proposed Section 226.56. 74 FR 202 at p. 54178. While we agree that the Act's opt-in requirements should be applied to any fee related to overlimit transactions, we strongly encourage the Board to prohibit any kind of periodic fee that is predicated on coverage of overlimit transactions but may apply regardless of whether the consumer has actually exceeded the credit limit during the period. Allowing such a fee would harm consumers, fail fully to implement the intent of Congress and encourage creditors to seek ways to avoid the law.

New TILA section 127(k)(7) clearly establishes that fees related to overlimit transactions are allowed only "if the credit limit on the account is exceeded" and for no more than three billing cycles afterward. Nevertheless, the Board appears to contemplate some form of overlimit fee that would not comply with new TILA Section 127(k)(7).

Allowing creditors to charge a monthly fee in exchange for overlimit coverage regardless of whether the account has gone overlimit would violate the Act's requirement that the credit limit must be exceeded before the creditor may charge an overlimit fee. Similarly, a periodic overlimit fee appears to violate the Act's limit on multiple billing cycle charges. For example, if a consumer who is enrolled in an overlimit coverage plan charges an overlimit transaction in one month, it is clearly a violation of the Act to require payment for "coverage" of this overlimit transaction for more than three months after the event occurred.

More generally, allowing periodic overlimit "service" fees would undermine a key goal of the Credit CARD Act. In passing the Act, Congress identified an intention "to implement needed reforms and help protect consumers by prohibiting various unfair, misleading and deceptive practices in the credit card market."[11] The Senate Banking Committee report on the Act noted that the six largest card issuers collected $7.4 billion in late and overlimit fees in a single year. The report went on to note that the rapid growth in the size and variety of fees was contributing to significant growth in credit card debt, under which struggling consumers "increasingly find themselves buried."[12] The Board should act decisively to prevent issuers from recasting overlimit fees as anything other than a penalty that is subject to the clear rules Congress established.

Similarly, any form of periodic overlimit fee should be prohibited because it could not be justified under new TILA Section 149, which designates the overlimit fee as a "penalty" that must be "reasonable and proportional" to a cardholder's "omission or violation." If the Board allows issuers to claim exemption from the reasonable and proportional rules by characterizing overlimit fees as anything other than penalties for specific occurrences, new TILA Section 149 would be rendered moot. Accordingly, the Board must treat all overlimit fees as penalties, regardless of attempts to characterize them as "services," and ensure that no

[11] Senate Report 111-16, supra note 5, at p. 2.
[12] Ibid. at p.3-4.

overlimit fees may apply except under circumstances where the fee is “reasonable and proportional” to a cardholder’s “act or omission.”

Finally, allowing periodic overlimit-related fees that may apply even when the credit limit has not been exceeded would raise other concerns. If a creditor were not obligated to authorize overlimit transactions, as proposed comment 56(b)—1 suggests, then periodic or “service” based overlimit service fees would be illusory. Yet, if the creditor *were* required to authorize overlimit transactions, the fee would be meaningless because the creditor in effect would have raised the account’s credit limit. Such a periodic fee would raise far too many questions related to when and how a creditor would be required to cover overlimit transactions, what disclosures would be necessary, when creditors should raise credit limits rather than allow accounts repeatedly to exceed the existing credit limit, whether and how overlimit transactions authorized as part of an “overlimit protection plan” could still trigger penalty interest rate increases, and so on.

For all these reasons, the Board should clearly prohibit any periodic overlimit fee, including any overlimit “service” or “protection” fee.

2. The Board should require written or electronic agreement to overlimit transaction coverage promptly following any opt in provided orally.

Section 102 of the Act amends section 127 of TILA to require consumer opt-in “for over-the-limit transactions if fees are imposed.” The Board has proposed allowing customers to opt in orally. We urge the Board to require prompt written confirmation of any oral opt in, and to allow consumers to opt out orally or in writing, regardless of the manner in which they opted in.

The Board’s comment 226.56(c)—1 states that “creditors have a strong interest in facilitating a consumer’s ability to opt-in,” and would permit issuers “to determine the most effective means of obtaining such consent.” 74 FR 202 at p. 54179. Such explicit acknowledgement by the Board of the creditor’s interest in obtaining consumer opt in recognizes the fact that such opt in may not be in the best interest of the consumer. For this reason we strongly encourage the Board to require a written acknowledgement of the agreement (electronically or hard copy) following any oral opt-in. Mandating this follow-up will give the consumer the time and ability fully to examine the terms of opt-in and make a considered determination whether the option is right for them. As the creditor’s representative at the time of oral opt-in, a teller or telephone agent is motivated to pressure a consumer to agree to opt in and pay the overlimit fees.[13] By allowing oral opt-in only in conjunction with a timely written

[13] Others have noted problems associated with “rent extraction” in the context of credit card penalty fees, including overlimit fees. A study found a strong correlation between an issuer’s market power and the magnitude of penalty fees. Those banks with higher market shares are able to “extract rents” in the form of penalty fees. The incentive for companies to allow or encourage customer behavior that that maximizes revenue, including penalty fee revenue, is significant. Massoud, Nadia, Anthony Saunders and Barry Scholnick, "The Cost of Being Late: The Case of Credit Card Penalty Fees" (March 2006), AFA 2007 Chicago Meetings Paper (see p.29-32 for a discussion of the correlations among penalty fees, risk and market share). Available at SSRN: http://ssrn.com/abstract=890826. Note that according to the May 2009 issue of Cards and Payments Magazine, penalty fees accounted for 6.6 percent of credit card revenue, or more than $8.5 billion in 2008.

confirmation, the Board will more fairly balance the rights of the consumer with the monetary interests of the creditor.

While oral opt-in should be limited in scope as noted above, consumers should have the ability to opt-out of overlimit transaction coverage through any means, including orally. The purpose of requiring consumer opt-in for overlimit transaction coverage is to protect consumers and give them an opportunity fully to understand the costs and benefits of the program. Conversely, the ability to opt-out of coverage allows consumers who have realized the costs they are incurring under the program to avoid any additional costs. As such, consumers should be given the option of opting out of overlimit transactions quickly and in the most convenient way, regardless of the means of original opt-in.

C. Ability to Pay

1. The Board should require verification of ability to pay pending a fact-based determination of the relationship between delinquency and reliance on stated (not verified) income, assets and liabilities.

Section 109 of the Act creates a new section 150 of TILA which requires card issuers to "consider[] the ability of the consumer to make the required payments under the terms of the account" prior to opening a new credit card account for the consumer or increasing their credit limit on an existing card.

The proposed rule clarifies that issuers must consider consumers' ability to make the minimum payments, that the evaluation of ability to pay must include a review of the consumer's income and assets as well as current obligations, and that issuers must have policies and procedures for considering the information. However, the rule states that an issuer may rely on information provided by the consumer, and the comments make clear that the Board generally is not requiring verification of income, assets, or obligations. We strongly encourage the Board promptly to collect data on the extent to which delinquent accounts represent credit issued on the basis of stated income, and to require verification pending the results of that research.

The Board distinguishes between its limitation of "no doc" mortgage loans and its express permission of "no doc" credit cards as follows:

> While the Board has required creditors to verify information before credit is extended for certain mortgage loans, the Board's decision with respect to such loans was based on evidence that borrower income was inflated for these types of mortgage loans and that lending decisions based on overstated incomes contributed to the recent substantial increase in mortgage delinquencies. In contrast, the Board does not have evidence that this is the case in the credit card market. As a result, the Board believes a verification requirement before a credit card account is opened or credit line increased would not be necessary and could burden consumers. The Board, however, seeks comment on whether there is evidence that warrants a requirement to verify information before a credit card account is opened or a credit line is increased. 74 FR 202 at p. 54161.

The Board's regulation of "no doc" mortgages lending, which the Board cites as precedent, has been extensively criticized as too little and too late. We do not need to repeat here the well- established argument that this regulatory failure directly and substantially contributed to the economic downturn of the past two years. We do suggest that the Board needs to regulate to prevent a similar crisis in the credit card market, rather than waiting for more problems to become apparent before putting safeguards in place to prevent adverse effects of "no doc" consumer lending. The Board should promptly act to gather evidence on whether credit cards issued on the basis of stated income are associated with delinquencies. Because much of this information is not accessible to the public, the Board cannot reasonably rely on public comment to provide this evidence.

In fact, the Board has already collected key evidence that "no doc" credit card loans are in trouble. According to the Board's own data, bank card delinquencies rose to a record 6.70 percent during the second quarter of the year, and charge-offs rose to a record 9.55 percent (seasonally adjusted).[14] On its face, this would appear to be evidence that granting more credit than people can afford to repay has had adverse consequences. The Board should collect information about these record numbers of delinquent accounts from issuers that would enable the Board to determine the extent to which these cards in default are credit issued on the basis of stated income. A strong correlation would certainly support a permanent verification requirement.

The Board's comments that requiring verification would be disruptive assume that the vast majority of credit card debt continues to be extended on stated rather than verified income, as the Board found was the case in 2006.[15] While the Board asserts that issuers' self-interest will protect consumers from getting credit they cannot repay, the charge off and delinquency figures quoted above show that has not been the case to date. The same argument was made about mortgage lenders, and proven wrong there as well. The Board should require verification of ability to pay pending further research since the record number of accounts in delinquency and charge off are extremely likely to have been issued based on stated income.

We recognize that requiring verification of ability to pay could disrupt certain existing sales channels, such as point-of-sale credit card offers at retail outlets. To the extent the Board is concerned about these disruptions, a safe harbor allowing for allowance of credit of up to a de minimis dollar amount (perhaps $500) based on stated ability to pay may be appropriate.

2. **The Board should require inclusion of non-penalty fees in the calculation of minimum payments.**

The proposed rule creates a safe harbor method of calculating minimum payments for the purpose of determining ability to repay. That method requires the issuer to assume the consumer is using the full credit line available, but does not require inclusion of any fees, even though fees can be part of a minimum payment calculation. The Board explains this decision as follows:

[14] http://www.federalreserve.gov/releases/chargeoff/default.htm
[15] http://www.federalreserve.gov/boarddocs/rptcongress/bankruptcy/bankruptcybillstudy200606.pdf at p. 22

> "[A]lthough estimating a consumer's required minimum periodic payments may be more accurate with the addition of some estimated fees when using a minimum payment formula that includes the interest and fees, the Board believes that estimating the amount of fees that a typical consumer might incur could be speculative. As a result the Board's proposed safe harbor does not require issuers to estimate fees. The Board seeks comment on other reasonable methods that card issuers may use in estimating minimum payments."

As our latest research on credit cards confirms, an increasing number of accounts include fees which the consumer cannot avoid, such as annual fees or other "account maintenance" fees. The Board's comments recognize that issuers may seek to add more of such fees in the guise of "monthly overlimit protection fees." for example. As distinct from penalty fees or fees for specific transactions, these fees are in no way speculative since they do not depend on consumer conduct. Omitting such fees from the safe harbor calculation would provide a further incentive for issuers to increase these fees and would misrepresent the true ability of consumers to repay "under the terms of the account." Accordingly the Board should require issuers to include such fees in calculating the minimum payment for purposes of the ability to pay rule.

D. Deferred Interest

1. **Deferred interest arrangements should be banned. Short of that, the proposed rule to require notice inside the last two billing statements before expiration of deferred interest offers is well advised; however, the Board should modify the proposed Sample G—18(H) so that cardholders receive specific information that can help them make better decisions.**

Proposed § 226.7(b)(14) would require creditors to provide notice within the periodic statements of cardholders whose deferred interest periods will end within two billing cycles. Such notice is advisable because of the significant amount of accrued interest that can be involved. The proposed rule requires the notice to be substantially similar to the one provided in Sample G—18(H), which is copied below:

> [You must pay your promotional balance in full by [date] to avoid paying accrued interest charges.]

We have previously commented to the Board about the dangers deferred interest arrangements pose to consumers.[16] These arrangements allow borrowers to avoid all interest if a promotional balance is paid *in full* by the end of the deferment period, but require payment of the entire sum of accrued interest if the balance is not paid in full by the deadline. To make a profit on deferred interest offers, creditors must count on a certain percentage of debtors being unable to pay off a balance within the allotted time, or making a mistake or forgetting when

[16] See e.g. Bourke (September 21, 2009), supra note 1. We also recommend to the Board comments from other organizations, such as the National Consumer Law Center, showing that Section 127(j) bans deferred retroactive interest plans where interest for the entire balance can be retroactively imposed. See comments of the National Consumer Law Center, et. al., available at http://www.federalreserve.gov/SECRS/2009/October/20091015/R-1364/R-1364_092109_22538_579372044069_1.pdf at pp. 7-8.

the balance is due. In other words, issuers must design deferred interest offers with the very *goal* of attracting borrowers who cannot repay the loan before the deferment end date. As such, deferred interest offers represent a gamble for consumers and they fail to meet a basic tenet of safe credit – they are not loans designed for borrowers to repay in a timely fashion. For these reasons and others, our Safe Credit CARD Standards call for the prohibition of deferred interest offers.

Although we disagree with the Board's continued acceptance of deferred interest offers generally, we commend the Board's proposed rule requiring creditors to warn debtors near the end of any deferred interest period. In amended TILA Section 164, Congress provided payment allocation rules including provisions designed to facilitate the making of payments toward deferred interest balances in the final months before deferment periods expire. The Board's proposal to require creditors to notify cardholders prior to the end of the deferment period serves this purpose by helping cardholders repay deferred balances and avoid accrued interest charges.

However, the required form of disclosure found in Sample G—18(H) is unnecessarily vague and insufficiently conveys the importance of the notice. A more definite statement would more fully alert customers of the significance of the end of the deferment period and would more clearly inform the debtor of how to respond. The Board should require the notice to include specific amounts and due dates.

Therefore, so long as deferred interest offers are allowed, we ask the Board to alter the Sample disclosure to include a clear statement that the deferred interest period is about to expire, and a statement that the debtor will be charged a specified dollar amount of accrued interest unless the specified deferred interest balance is paid by the specified due date. Accordingly, Sample G—18(H) may be restated as follows:

> [Your deferred interest period is about to expire. You will be charged [approximately] [$xxx.xx] in accrued interest charges unless you repay the full deferred interest balance of [$y,yyy.yy] by [dd/mm/yyyy].[17]

E. Internet Posting of Credit Card Agreements

1. When posting credit card agreements provided by creditors, the Board should make both current and historical submissions available to allow researchers to track the evolution of agreements over time.

Section 204 of the Act amends TILA Section 122 to require internet posting of credit card agreements by creditors on their respective websites. The section also requires issuers to make these agreements available to the Board for an online repository of agreements. Section 226.58(b)(3) of the proposed rule states that agreement "offers" or "offers to the public" are covered under the posting requirements "if the issuer is soliciting or accepting applications for accounts that would be subject to that agreement." The Board goes further in its section by section analysis to state that the "primary benefit of making credit card

[17] We recognize that creditors may have reason to approximate the amount of accrued interest charges that will apply as of the end of the deferment period.

agreements available on the Board's website is to assist consumers in comparing credit card agreements by various issuers when shopping for a new credit card." 74 FR 202 at p. 54189. This language suggests that only current card agreements, not historical ones, will be publicly available in the Board repository.

We ask that the Board also make historical agreements available on its website on an ongoing basis by retaining agreements in an archive even after they are no longer used. While we agree that posting of credit card agreements is vital to consumer choice when shopping for a new card, a repository of account agreements that includes card agreements over time would also provide a critical tool for research. We understand that issuers might experience administrative burdens if required to make all historical agreements available online, but the Board has the opportunity to use its online repository moving forward in this way. Providing access to agreements currently "for sale" only provides a partial understanding of a vast credit card marketplace, while maintaining historical documentation of agreement changes over time will allow for further understanding and analysis of market changes by research and policy organizations such as ours.

2. The Board should ensure that arbitration agreements and clauses allowing creditors to change terms "at any time" or "for any reason" are included in the creditor's online disclosures and those submitted to the Board.

Section 226.58 of the proposed rule would require issuers to submit all documents "evidencing the terms of the legal obligation, or the prospective legal obligation, between a card issuer and a consumer." We applaud the Board for its comprehensive requirements for account agreements and believe this information will do much to further both consumer awareness and public policy research. We wish to note the importance of ensuring that complete agreements, including provisions such as mandatory arbitration and "any time" change in terms policies, are provided under these disclosure rules. To the extent there is any ambiguity about the requirement to provide all legal terms relevant to the customer relationship, we encourage the Board to maintain a strict full disclosure requirement.

F. Other Considerations

1. To avoid consumer confusion and prevent deceptive practices, the Board should require that all "maintenance/access" fees be expressed as a single annual fee.

Our research has shown that bank card issuers are increasingly imposing new fees for the issuance or availability of credit. In the cards we studied, these types of fees included annual fees, fees for closed accounts with an unpaid balance, and fees for failure to complete a transaction during a specified period of time.[18] Press reports also indicate that other issuers are also charging inactivity fees, to the extent that these fees have become a target of popular satire.[19]

[18] "Still Waiting," supra note 4, at p. 16.
[19] See, e.g., http://www.npr.org/templates/story/story.php?storyId=114312132&sc=fb&cc=fp

The CARD Act generally will not limit issuers' ability to charge fees for issuance or maintenance of accounts, but we urge the Board to address the issue of fee proliferation and complexity by requiring issuers to express all fees for issuance or maintenance of credit as a single annual fee. Most large issuers in our recent study already followed this practice.

Accounts with multiple types of these fees can be extremely difficult for consumers to evaluate in terms of cost and value, and the proliferation of various fees for the basic service of providing credit encourages unfair and deceptive practices. For this reason, our Safe Credit Card Standards call for all fees for issuance or maintenance of accounts to be expressed as a single annual fee. This rule would in effect outlaw any dormancy or other type of maintenance or access fee except the single annual fee.

Consolidating all fees for the issuance or availability of credit into a single annualized fee would greatly enhance pricing transparency and reduce incentives issuers may have to embed multiple service fees that make the overall price of credit difficult to identify or compare. A single consolidated fee for having an account is a great deal easier for consumers to understand than the multipart disclosure proposed by the Board in Appendix G and illustrated by Models G-10(A), G10 (D) and G17(A), which would require issuers to list different fees for issuance or availability of credit separately. A single-fee-for-credit rule would also help to limit the number of fees that must be disclosed by issuers and analyzed – and regulated – by government authorities.

The Board has already defined "fees for the issuance or availability of credit," and we would encourage the Board to use that definition in requiring that such fees be disclosed as a single annual fee. In § 226.6(b)(2)(ii) of proposed Regulation Z (74 FR 202 at p.54211), the Board defines "fees for the issuance or availability of credit" to include any annual or other periodic fee for issuance or availability of credit, including any fee based on account activity or inactivity, and any non-periodic fee related to opening an account. Elsewhere, Regulation Z requires disclosures of "Fees for issuance or availability," defined as "any annual or other periodic fee that may be imposed for the issuance or availability of a credit or charge card, including any fee based on account activity or inactivity" and a statement of how frequently it will be imposed and the annualized amount of the fee (§ 226.5a(b)(2), 74 FR 202 at p. 54209).

This requirement to express fees for the issuance or availability of credit as a single annualized cost figure would fit easily within the Board's existing rule structure. The fee would be disclosed as a single, annualized fee, but could be charged periodically throughout the year as appropriate.

Also, this new requirement should take precedence over other proposed disclosure rules. For example, to accommodate the Board's proposed requirement in Regulation Z, § 226.5a(b)(2)(ii) (74 FR 202 at p. 54209), requiring issuers to label any non-periodic account opening fee as a "one-time" fee, issuers may be directed to provide the single annualized cost figure prominently with a notation underneath indicating the portion of the annualized fee represented by the one-time application fee.

Such action by the Board to contain and discourage proliferation of this type of fee might also avoid the need for repeated legislative action in the near future, as Members respond to constituent outrage over new versions of fees for the issuance or availability of credit. For example, Congresswoman Betty Sutton has proposed the Credit Card Fee Limitation &

Accountability Act, which would prohibit fees for non-use of credit cards or for failing to carry a minimum balance.

2. To prevent new unfair or deceptive practices, and to help ensure safe and efficient markets, the Board should strengthen credit card information collection.

The authority given to the Board under the Credit CARD Act ("the Act") and other laws includes the power and duty to monitor credit card practices for violations of law and for new developments which may require additional regulation or guidance from the Board to fulfill the requirements of the Act or to bar unfair and deceptive practices. Also, Section 502 of the Act requires the Board to conduct a biennial review and report to Congress on credit card practices and the need for additional consumer protections. To fulfill this obligation properly, the Board should start now to require issuers regularly (not less than semiannually) to submit to the Board additional information relating to their practices, as described below, and should make this information public in aggregate form on a regular basis. The collection and publication of such information will provide additional transparency and enable consumers and Congress to assess and evaluate the practices of the credit card industry as a whole and encourage fair competition and consumer comparison of cards.

The Board should collect the following information in connection with any consumer credit card account and should publish a public report at the end of the review period containing this information in aggregate form:

Information on Interest Rates Actually Charged

(i) a list of each type of transaction or event for which any card issuer has imposed a separate interest rate upon any credit card account during the review period, including purchases, cash advances, and balance transfers;

(ii) for each type of transaction or event identified under clause (i)--

(I) each distinct interest rate charged by a card issuer to an account, as of the end of the review period; and

(II) the number of accounts to which each such interest rate was applied during the review period, the percentage this represents of all card accounts, and the total amount of interest charged to such accounts at each such rate during such period;

Information on Fees Actually Charged

(iii) a list of each type of fee that any card issuer has imposed upon an account as of the end of the review period, including without limitation any annual fee, any fee for the maintenance or issuance of credit, any fee imposed for obtaining a cash advance, making a late payment, exceeding the credit limit on an account, making a balance transfer, or exchanging United States dollars for foreign currency;

(iv) for each type of fee identified under clause (iii), the number of cardholders upon whom the fee was imposed during the review period, the percentage this represents of all card accounts, and the total amount of fees imposed upon cardholders during such period.

Information on Types and Incidence of Changes in Terms

(v) a list of each type of "significant change in terms" requiring notice pursuant to Section 101(a)(1) or (2) of the Act that any card issuer has imposed on a cardholder during the review period (whether the cardholder accepted such a change or not), including without limitation APR changes, fee changes and account closures or credit line reductions;

(vi) for each type of "significant change in terms" identified under clause (v), the number of cardholders upon whom the change was imposed (whether they accepted or not), and the number of cardholders accepting the change.

Information on the Effect of Certain Provisions of the Act

(vii) the number of accounts that incurred penalty rates during the review period and the percentage this represents of all accounts, the number of accounts receiving the mandatory cure in that period and the percentage this represents of all accounts, and the average length of time during which those accounts paid the penalty rate;

(viii) the number of accounts paying only the minimum payment due during the review period and the percentage this represents of all accounts.

(ix) the total number of consumer credit card accounts;

(x) the total number and value of cash advances made during the review period under a consumer credit card account;

(xi) the total number and dollar value of purchases involving or constituting consumer credit card transactions during the review period

(xii) the total number and dollar amount of balances accruing finance charges during the review period

(xiii) the total number and dollar amount of the outstanding balances on consumer credit cards.

Depository Institution Credit Card Income

(xiv) The Board should also collect and regularly publish information on the aggregate income derived by the credit card operations of depository institutions from--

`(A) the imposition of interest rates on cardholders, including separate estimates for--

`(i) interest with an annual percentage rate of less than 25 percent; and

`(ii) interest with an annual percentage rate equal to or greater than 25 percent;

`(B) the imposition of fees on cardholders;

`(C) the imposition of fees on merchants; and

`(D) any other material source of income, while specifying the nature of that income.'

# # # #

Appendix A: Data on Partially Variable Rates

The following data is reproduced from a report the Pew Health Group's Safe Credit Cards Project published in October of this year and available at www.pewtrusts.org/creditcards. All data is taken from our review, conducted in December 2008 and July 2009, of application disclosures for all general purpose consumer credit cards offered online by the largest 12 bank issuers and the largest 12 credit union issuers.[20]

Nearly two thirds (64 percent) of credit union cards featured "fixed" purchase rates in July 2009. Among banks, however, there was a strong trend against fixed rate pricing. Less than 1 percent of bank cards included fixed rates, down from 31 percent in December 2008.

As issuers move away from "fixed" rates, Pew's research shows that there is a related and possibly troublesome trend emerging. A growing number of credit cards include terms designed to ensure that even variable rates will not fall lower than a fixed minimum. For these "partially variable" cards, issuers will benefit as interest rates rise according to operation of an index rate, but many cardholders will be prevented from enjoying the benefits of falling index rates due to the fixed floor limits set by issuers. We call this mechanism a *minimum rate requirement.*

Partially Variable Rates with Minimum Rate Requirements (MRR)

Portion of Cards with MRR for Cash Advance Rate

	December 2008	July 2009
Banks	10% (3 banks)	38% (6 banks)
Credit Unions	n/a	11% (3 credit unions)

Portion of Cards with MRR for Purchase Rate

	December 2008	July 2009
Banks	1% (1 bank)	9% (5 banks)
Credit Unions	n/a	9% (2 credit unions)

Note: Percentage of cards expressed as portion of all surveyed cards by type of issuer (bank or credit union). Data represents all consumer credit cards offered online by the 12 largest bank and 12 largest credit union issuers, which together control more than 91 percent of credit card outstandings. December 2008 data for credit unions is not available.

[20] [Our Oct 09 report title and web link]. Note that we did not survey the credit unions in December 2008.

Cards Including Partially Variable Rates with Fixed Minimum Rate Requirements (MRR) for Purchases

The table includes all credit cards from Pew's July 2009 survey that included terms designed to ensure that variable rates (advertised margin plus 3.25 percent Wall Street Journal prime index rate as of July 2009) will not fall lower than a fixed minimum. The difference between the fixed minimum and the rate given by the variable rate formula is the minimum rate requirement (MRR) premium. A negative premium indicates the variable rate based on the current index is higher than the required minimum. Similarly, a zero-point premium indicates the two rates are equal. Issuers typically advertise a range of rates that may apply depending on an applicant's credit profile, and the table shows MRR premiums for both lowest and highest advertised rates. The July 2009 survey included all consumer cards offered online by the largest 12 bank issuers and the largest 12 credit union issuers, which together control more than 91 percent of credit card outstandings.

THE MRR IS A FIXED MINIMUM RATE SET BY THE ISSUER. THE MRR PREMIUM IS THE DIFFERENCE BETWEEN THE RATE OTHERWISE PROVIDED BY THE VARIABLE RATE FORMULA AND THE REQUIRED MINIMUM RATE.

		Lowest Advertised Rates				Highest Advertised Rates			
Issuer	Card	Advertised Margin	Margin + 3.25 Index Rate	MRR	MRR Premium	Advertised Margin	Margin + 3.25 Index Rate	MRR	MRR Premium
Barclays	Clark Platinum MasterCard	7.99%	11.24%	16.24%	5.00%	11.99%	15.24%	20.24%	5.00%
Barclays	EmigrantDirect Platinum MasterCard	5.99%	9.24%	14.24%	5.00%	12.99%	16.24%	21.24%	5.00%
Barclays	EmigrantDirect World MasterCard	5.99%	9.24%	14.24%	5.00%	12.99%	16.24%	21.24%	5.00%
Barclays	Performance Bicycle Rewards MasterCard	5.99%	9.24%	14.24%	5.00%	13.99%	17.24%	22.24%	5.00%
Target	Visa Credit Card	7.99%	11.24%	13.99%	2.75%	16.99%	20.24%	22.99%	2.75%
USAA	American Express Cash Rewards	1.75%	5.00%	7.75%	2.75%	12.90%	16.15%	18.90%	2.75%
USAA	American Express Total Rewards	1.75%	5.00%	7.75%	2.75%	12.90%	16.15%	18.90%	2.75%
USAA	MasterCard Cash Rewards	1.75%	5.00%	7.75%	2.75%	12.90%	16.15%	18.90%	2.75%
USAA	MasterCard Total Rewards	1.75%	5.00%	7.75%	2.75%	12.90%	16.15%	18.90%	2.75%
Wells Fargo	Cash Back Card	4.90%	8.15%	10.65%	2.50%	16.90%	20.15%	22.65%	2.50%
Wells Fargo	Cash Back College Visa Card	9.90%	13.15%	15.65%	2.50%	16.90%	20.15%	22.65%	2.50%
Wells Fargo	College Visa Card	5.90%	9.15%	11.65%	2.50%	15.90%	19.15%	21.65%	2.50%
Wells Fargo	Home Rebate Card	4.90%	8.15%	10.65%	2.50%	16.90%	20.15%	22.65%	2.50%
Wells Fargo	Rewards Card	4.90%	8.15%	10.65%	2.50%	16.90%	20.15%	22.65%	2.50%
Wells Fargo	Visa Platinum Card	2.90%	6.15%	8.65%	2.50%	16.90%	20.15%	22.65%	2.50%
Digital Federal CU	Visa Classic Card	3.00%	6.25%	8.50%	2.25%	10.50%	13.75%	8.50%	-5.25%
Digital Federal CU	Visa Gold Card	3.00%	6.25%	8.50%	2.25%	10.50%	13.75%	8.50%	-5.25%
Digital Federal CU	Visa Platinum Card	3.00%	6.25%	8.50%	2.25%	10.05%	13.30%	8.50%	-4.80%
U.S. Bank	College Rewards Visa	7.99%	11.24%	11.99%	0.75%	16.99%	20.24%	20.99%	0.75%
U.S. Bank	Young Adult Visa	7.99%	11.24%	11.99%	0.75%	16.99%	20.24%	20.99%	0.75%
U.S. Bank	Bed Bath & Beyond MasterCard	10.99%	14.24%	14.99%	0.75%	10.99%	14.24%	14.99%	0.75%
U.S. Bank	Cache Specialty Rewards Visa Platinum Card	7.99%	11.24%	11.99%	0.75%	16.99%	20.24%	20.99%	0.75%
U.S. Bank	Sierra Trading Post Rewards Visa Platinum	7.99%	11.24%	11.99%	0.75%	16.99%	20.24%	20.99%	0.75%
U.S. Bank	SKYPASS Visa No Annual Fee	12.99%	16.24%	16.99%	0.75%	12.99%	16.24%	16.99%	0.75%
U.S. Bank	SKYPASS Visa Signature	12.99%	16.24%	16.99%	0.75%	12.99%	16.24%	16.99%	0.75%
U.S. Bank	Cash Rewards Visa Platinum	5.99%	9.24%	9.99%	0.75%	18.99%	22.24%	22.99%	0.75%
U.S. Bank	Select Rewards Visa Platinum	5.99%	9.24%	9.99%	0.75%	18.99%	22.24%	22.99%	0.75%
U.S. Bank	Travel Rewards Visa Platinum	5.99%	9.24%	9.99%	0.75%	18.99%	22.24%	22.99%	0.75%
U.S. Bank	Visa Platinum	5.99%	9.24%	9.99%	0.75%	18.99%	22.24%	22.99%	0.75%
U.S. Bank	Visa Signature	5.99%	9.24%	9.99%	0.75%	5.99%	9.24%	9.99%	0.75%
U.S. Bank	Harley-Davidson High Performance Visa	9.99%	13.24%	13.99%	0.75%	9.99%	13.24%	13.99%	0.75%
U.S. Bank	Gymboree Visa Platinum Card	11.99%	15.24%	15.99%	0.75%	11.99%	15.24%	15.99%	0.75%
US Bank	DISTANCIA Visa Card	11.99%	15.24%	15.99%	0.75%	11.99%	15.24%	15.99%	0.75%
US Bank	DISTANCIA Visa Signature Card	11.99%	15.24%	15.99%	0.75%	11.99%	15.24%	15.99%	0.75%
Navy Federal CU	Navy FCU CashRewards Visa	6.40%	9.65%	7.90%	-1.75%	13.40%	16.65%	18.00%	1.35%