

Interchange Fee Meeting with
The Independent Community Bankers of America

April 29, 2011

Participants: Camden Fine, Karen Thomas, and Viveca Ware (ICBA)

Chairman Bernanke, Vice Chair Yellen, Governor Raskin, Louise
Roseman, Scott Alvarez, and Linda Robertson (Board)

Summary: The ICBA officials expressed their concerns with the effect of the interchange fee and routing provisions of the Dodd-Frank Act on small issuers. In particular, they were concerned that the small-issuer exemption to the interchange fee standard may not be effective to the extent that networks do not adopt a two-tier interchange fee system, or if merchants discriminate against small-issuer cards that are subject to higher interchange fees. They also expressed concerns with the application of the exclusivity and routing provisions on small issuers. They urged the Board, in the development of the final interchange rule, to minimize any adverse effects on small issuers.