

March 20, 2013

## **CHASE CHANGES POLICIES REGARDING PAYDAY LENDERS AND OTHERS WHO REPEATEDLY SEEK PAYMENTS FROM CUSTOMERS**

**NEW YORK – March 20, 2013** – JPMorgan Chase (NYSE: JPM) announced today that it is making policy changes that will protect customers when payday lenders and other billers seek inappropriate payments from Chase's consumer deposit accounts. The company will make the following changes.

1. Chase will only charge one returned item fee to customers in cases where a biller presents items that are returned to them due to insufficient funds in the customer account more than once in a 30-day period, even if the biller tries to collect multiple times. This change is intended to address payday lenders and others who present repeated payments to customers that are not in the spirit of their signed agreement with the customer. This change will become effective by the end of May.
2. Chase is working to proactively identify potential misuse of the Automated Clearing House (ACH) system – including misuse on the part of payday lenders or other companies – and report such practices to the National Automated Clearing House Association. Chase will work with NACHA to try to strengthen their own policies to disallow excessive presentments.
3. We have an existing policy to always follow a customer's instructions to stop a payment. We plan to enhance communication and require additional training regarding that policy.
4. Chase will make it easier for customers to close their accounts when there are open pending charges, including payday lender payments. If we believe those pending charges are inappropriate, we won't honor them.

"We took a look at our policies and decided to make a number of changes," said Ryan McInerney, CEO of Consumer Banking at Chase. "Some customers agree to allow payday lenders or other billers to draw funds directly from their accounts, but they may not know some of the aggressive practices that can follow. Those practices include repeated attempts for payment that can result in multiple returned items. We don't believe these practices are appropriate, and are making these changes to help protect customers from unfair and aggressive collections practices."

### **About Chase**

Chase is the U.S. consumer and commercial banking business of JPMorgan Chase & Co. (NYSE: JPM), a leading global financial services firm with assets of \$2.4 trillion and operations in more than 60 countries. Chase serves more than 50 million consumers and small businesses through more than 5,600 bank branches, 18,700 ATMs, credit cards, mortgage offices, and online and mobile banking as well as through relationships with auto dealerships. More information about Chase is available at [www.chase.com](http://www.chase.com).