

Unfair or Deceptive Acts or Practices (UDAP) Meeting with Members of Public

May 20, 2008

OTS staff met with representatives of USAA to discuss their reaction to the May 19, 2008 proposed UDAP rule. USAA expressed particular concern about provisions that would take away the ability to reprice for declining credit quality, particularly where the repricing is due to the consumer's conduct on another USAA account. USAA indicated the consequence of such limits could be higher up front pricing and elimination of introductory rates. USAA also advocated placing new restrictions in Regulation Z instead of a UDAP rule.

In attendance for OTS: John Reich, Tim Ward, John Bowman, Montrice Yakimov, April Breslaw, and Richard Bennett

In attendance for USAA: Ron Renaud, Ron DiGiacomo, and Jessica Killin