

Chase to Revamp Overdraft Policies to Give Customers More Control

Chase debit-card customers won't pay big fees for small mistakes

NEW YORK, Sept. 23, 2009 - In its latest initiative to help consumers in the challenging economy, Chase announced today that it is revamping its overdraft policies to make them clearer and simpler and to give customers more control over their debit cards and the fees they pay. The changes will apply to all current and new customers and will include:

- eliminating overdrafts for debit cards unless the customer opts in to overdraft services
- modifying posting order to recognize debit-card transactions and ATM withdrawals as they occur
- eliminating overdraft fees if a customer's account is \$5 or less overdrawn
- reducing the maximum number of overdraft fees per day to 3 from 6

"We recognize the tremendous growth in our customers' debit-card usage and we're revamping our overdraft policies and posting order to be more consistent with the way they use their accounts today," said Charlie Scharf, head of Retail Financial Services at JPMorgan Chase.

"Customers will be given the opportunity to decide whether they want to participate in Chase's debit-card overdraft services," Scharf said. "We believe it's important to give all 25 million existing debit card customers, as well as new customers, the ability to decide whether to opt in. We expect many of our customers will continue to find these services very useful."

Chase will continue its current policy of not allowing customers to withdraw more cash from an ATM than they have available in their account.

Chase will update customer accounts and balances for debit-card purchases and ATM withdrawals as they occur. "The new posting order will be more logical for customers, and they will incur fewer fees," Scharf said.

In addition, Chase will continue to offer overdraft protection for customers who link their checking account to a savings account, credit card or home equity line of credit. Millions of customers use this for peace of mind in case they forget to record a transaction, make a subtraction error in their checkbook or lose track of the dates of direct deposits or automatic debits.

Chase is continually working on ways to serve consumers better, which is especially important in challenging economic times like these. Efforts include:

Mortgage modifications. Chase has been a leader in working with struggling mortgage customers, including opening 27 local centers where homeowners can talk to counselors face to face. Chase has approved the most trial mortgage modifications through the Making Home Affordable plan and has helped more than 725,000 families avoid foreclosure since 2007.

Managing credit cards. Earlier this month, Chase introduced Blueprint, an industry-leading initiative that makes it easier for Chase credit card customers to reduce balances and avoid interest charges.

Chase expects to implement these changes in the first quarter of 2010.

About Chase

Chase is the U.S. consumer and commercial banking brand of JPMorgan Chase & Co. (NYSE: JPM), which operates more than 5,100 branches and 14,000 ATMs nationally under the Chase and WaMu brands. Chase has about 152 million credit cards issued and serves consumers and small businesses through bank branches, ATMs and mortgage offices as well as through relationships with auto dealerships and schools and universities. It also serves 26,000 commercial banking clients, including corporations, municipalities, financial institutions and not-for-profit entities. More information about Chase is available at www.chase.com.