

From: W. Capra Consulting Group, Doug Rodewald  
Subject: Reg I I - Debit card Interchange

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Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing  
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Comments:

W. Capra Consulting Group as an advocate for its Clients, retailers and the broader payment industry, believe that the impact and ongoing execution of the proposed amendment should be fully considered within its implementation. As such, W. Capra puts forward the following specific points for the Fed to consider within the amendment. 1. Any final language / rules must be clear, concise, and actionable. As witnessed by PCI, standards that are left open for interpretation will result in inconsistent execution. If regulation is deemed as required, it should be consistent. 2. Products, or specifically transactions and DDA accounts that are in scope of the legislation should be listed so current and future suppliers and merchants understand who is covered and who is not. 3. The final language must protect Debit as a payment product. W. Capra believes all constituents of the payment industry (consumer, retailer, FI) should agree that Debit as a payment product is ideal (more efficient than cash and more accessible than credit). As such, the proposed amendment should consider the potential system ramifications of reducing availability of debit based products. 4. The amendment must not disrupt product and payment innovation and continue to allow consumers the ability to access their DDA accounts with products not developed by their banks. Locking down access to DDA accounts (whether through fees, network rules or technology) would be a large step backwards. 5. Finally, any amendment must not change incentives for the payment system as a whole to remove fraud. FI's and networks are much better equipped, experienced and have the right data to combat pervasive fraud than merchants. W. Capra Consulting Group