

## Press Releases

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### OTS 07-005 - OTS Issues Consumer Information Brochure on Gift Cards

#### Office of Thrift Supervision

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For further information

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OTS 07-005

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### OTS Issues Consumer Information Brochure on Gift Cards

WASHINGTON, D.C. - As part of the Office of Thrift Supervision's (OTS) Consumer Protection Week series, the agency unveiled today a consumer information brochure on the purchase and use of gift cards. The brochure, entitled "Consumer Fact Sheet: Buying, Giving, and Using Gift Cards," advises consumers regarding gift cards issued by financial institutions.

In issuing the OTS gift card brochure, OTS Director John Reich noted that the brochure is useful both to consumers and to institutions in working with their customers to improve financial awareness about this increasingly popular financial product. Reich stated, "The retail focus of the thrift charter continues to encourage innovation in product offerings by OTS-regulated thrifts. It is important that we ensure that institutions also understand and appreciate the importance of disclosing and educating their customers regarding new and emerging retail products."

In particular, the brochure highlights various issues to consider when buying and using gift cards. These include:

- checking gift card program terms and conditions regarding limits on where a card can be used, and whether it can be used for online shopping;
- being aware of any applicable expiration dates;
- understanding fees, including fees imposed for inactivity or non-use of a gift card, processing fees for purchasing the card, monthly maintenance fees, and fees that may apply if the card can be used to obtain cash from an ATM;
- determining whether a gift card be replaced if it is lost or stolen, and what conditions apply to replacement, including whether a fee is imposed;
- checking on whether a gift card can be used in connection with another payment method if the purchase amount exceeds the available balance on the card;
- checking on fees imposed to inquire about the remaining balance on a card; and
- evaluating other gift card features, such as whether the card may be reloaded, whether there is a fee for this, and fees imposed on cash redemption features.

The OTS brochure also reminds consumers regarding the importance of card security, including asking a sales clerk to verify the stored amount when a card is purchased, and remembering that a gift card should be treated the same as cash. Finally, the brochure

provides general advice on addressing problems and how to resolve complaints about a gift card.

The attached OTS gift card brochure (<http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2007-05a.pdf>) is also available at the OTS website under "Consumer and Compliance/Consumer Inquiries" at [www.ots.treas.gov](http://www.ots.treas.gov).

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at [www.ots.treas.gov](http://www.ots.treas.gov).