

Chase Strengthens Credit Card Practices, Services

Steps to improve clarity, convenience and foster consumers' understanding and financial decision-making

WILMINGTON, Del. – Jan. 18, 2007 – Chase Card Services, the credit card division of JPMorgan Chase (NYSE: JPM), is announcing steps to further enhance its policies and practices, designed to help customers more easily manage their accounts and personal finances and avoid fees. The steps include:

- Helping customers avoid late and over-limit fees and maintain the most favorable interest rates by encouraging them to take advantage of Free Alerts from Chase.
- Providing free, convenient options to manage accounts through Chase Online.
- Using an average daily balance method of calculating finance charges instead of the two-cycle method.
- Giving consumers greater access to financial education information to help them make better personal finance decisions.

"In our ongoing effort to create great customer experiences with Chase, we routinely identify opportunities to improve our offers," said Carter Franke, chief marketing officer for Chase Card Services. "As part of that commitment, we continually review our practices, policies and services to make sure they are fair, easy to understand, and support our customers in their efforts to effectively manage their accounts."

Chase is encouraging customers to utilize its Free Alerts service to help manage their accounts. Customers may choose an alert – sent as an e-mail, voicemail or text message – that reminds them when a payment is due and when a payment has been posted to their account, or when they have reached any credit limit they choose. "This free service can help customers avoid paying a late or over-limit fee, and preserve the most favorable interest rates by maintaining their accounts according to the terms and conditions," said Franke. "We all lead busy lives, and a reminder service can provide a great deal of convenience and financial value."

Additionally, Chase has made recent improvements to Chase Online. Through Chase Online, customers can manage all aspects of their accounts, access their rewards, make fast, free electronic payments, and sign up for Chase Automatic Payments, which allows cardmembers to schedule payments for their due dates, giving them maximum access to their funds and avoiding late fees. Nearly one million cardmembers already use Chase Automatic Payments each month.

Customers are also encouraged to register for online statements for ease and convenience. Chase offers up to six years of online statement history – more than any other major issuer – giving customers an added benefit over traditional paper statements. Today, more than 2.5 million Chase customers are receiving paperless statements. The rapid increase in customer acceptance of this service is due to convenience, safety and security of online statements.

Chase regularly offers promotions to cardmembers who choose to receive online statements, and future efforts will include special incentives for customers who sign up for automatic payments and online alerts.

Chase also will eliminate the two-cycle method of calculating finance charges. "In our continuing review of customer feedback, we found that this practice was difficult to understand," added Franke. "So, in the interest of clarity and transparency, we will utilize a simpler, one-cycle method of calculating finance charges." This change will reduce the finance charges for consumers when they choose not to pay for a new purchase in full. The elimination of two-cycle billing will be completed over the next few weeks.

Beginning January 22, Chase will make additional financial education resources, called MyMoneyManagement, available through www.chase.com. Through these new resources, parents, students, educators and consumers of all ages can increase personal financial literacy and use this comprehensive information to make better financial decisions.

"We believe these policy changes, services and financial tools continue to help us create well-informed cardmembers," said Franke. "Customers have a lot of choices today. We want them to choose – and stay with – Chase."

About JPMorgan Chase & Co.

Chase Card Services is part of JPMorgan Chase & Co. (NYSE: JPM), a leading global financial services firm with assets of \$1.3 trillion and operations in more than 50 countries. The company has more than 140 million credit cards issued. Under the Chase

and JPMorgan brands, the firm serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients. Information about the firm is available at www.jpmorganchase.com.