

- 5 FEB 2010

OFFICE OF FAIR TRADING

Your ref	Direct line
Our ref	Fax
Date 4 February 2010	Email

Dear

Wider implications: risk-based step-changes in interest rates on credit-cards and store-cards

Thank you for your letter of 2 February 2010 regarding the above. I am pleased to hear that you have been able to satisfactorily resolve the complaints you have received on this matter, particularly given the concern that many of the complainants found themselves in difficult circumstances.

Given the satisfactory conclusion of the complaints which led to the referral, the introduction of the credit card principles and the current consultation on this issue being undertaken by the Department for Business, Innovation and Skills as part of their broader credit and store card consultation, we are not planning any further action in relation to these matters at this time.

However, we will continue to monitor the industry's progress in applying the credit card principles and would welcome a continuing dialogue with you on these issues, including feedback on any relevant complaints you receive that might suggest non-compliance with the principles or other information which may raise concerns in connection with the use of risk-based re-pricing.

Finally, thank you for you bringing this matter to our attention and for providing us with such a comprehensive view of the issues raised.

Yours sincerely



INVESTOR IN PEOPLE

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