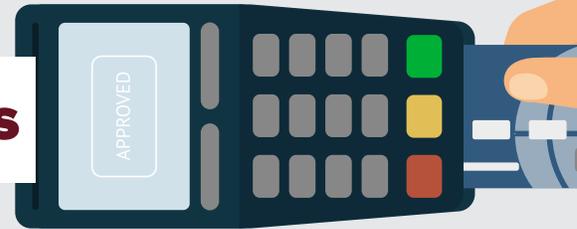


# BIG BANKS + BIG CREDIT = BIG LOSSES

## For Main Street and Consumers



### The Facts on Repealing Swipe Fee Reform

Repealing debit swipe fee reform will hurt retailers and consumers by ending competition in the debit card market and strengthening the duopoly of Visa and MasterCard to extract more money than ever.

#### The Lie

The credit card industry is claiming that it's fighting to repeal swipe fee reform to help small businesses.

#### The Truth

If the CHOICE Act is passed, the cost of accepting debit cards will dramatically increase for U.S. businesses, who already pay the highest prices in the world.

### Ending Debit Swipe Fee Reform Will:



**Eliminate competition**  
in the debit market



**Raise costs** on every  
business that accepts  
debit cards



**Enrich the biggest  
banks**, specifically  
Wells Fargo, Bank  
of America and  
JPMorgan



**Drive up costs** for  
consumers

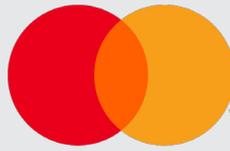
**Protect Swipe Fee Reform.**

# Visa and Mastercard's Net Profits are Nearly 15x Higher than America's Top 10 Retailers



**47%**

Visa



mastercard.

**45%**

MasterCard



**23%**

Wells Fargo



**14%**

Bank of America



**3%**

Top 10 Retailers

Source: Morningstar

## Before swipe fee reform

- Small businesses paid more in swipe fees per transaction than big businesses.
- Visa and MasterCard set the debit swipe fees that their banks charge, preventing free market pricing.
- Consumers paid higher debit transaction costs.

## After

- \$5.8 billion in consumer savings in first year of reform.
- 37,000 jobs supported in first year of reform.
- Increases healthy competition for debit transactions which lowers debit transaction costs for retailers and consumers.

Reversing swipe fee reform will affect our supermarkets, drugstores, discount retailers, convenience stores and gas stations – which all operate on extremely low margins and are the places where debit cards are used the most.

“Our analyses show that as payment card markets evolve, the **interchange fees increase over time**. This is because a monopoly card network, besides internalizing the two-sided market externality, has the incentive to inflate the value of card transactions.”



FEDERAL RESERVE BANK OF KANSAS CITY

**Protect Swipe Fee Reform.**

