

Gift Cards 2007: Best and Worst Retail Cards; A Deeper View of Bank Cards Doesn't Improve Their Look

BACKGROUND

Gift cards have become a huge business in America. The TowerGroup, a subsidiary of MasterCard, estimated that total 2006 gift card sales topped \$80 billion, a 20 percent increase over 2005.¹ The National Retail Federation estimates that gift card sales in the 2007 holiday season will total \$26.3 billion, a 6 percent increase over the \$24.8 billion in 2006 holiday sales.² The TowerGroup estimated that sales of traditional retail gift cards (“closed loop” cards) in 2006 were \$59 billion, compared to \$23 billion in sales of bank gift cards (“open loop” cards), which carry the logo of American Express, Discover, MasterCard, or Visa, and are accepted where those brands of credit, debit, or charge cards are.³ A recently released survey estimates, however, that sales of bank gift cards in the 2007 holiday season could double the 2006 holiday season total.⁴

Besides the large gift card sales estimates, the TowerGroup released another figure that has received even greater attention: that consumers lose nearly \$8 billion annually—approximately 10 percent of gift card sales—due to unredeemed value, expiration, or loss of cards. This “breakage” amount is more than double the

¹ “With Soaring Gift Card Sales Poised to Exceed \$80 Billion in 2006, Unused Card Values Are Also on the Rise,” TowerGroup Press Release, November 20, 2006.

² “Gift Cards More Popular Than Ever, According to NRF,” National Retail Federation Press Release, November 13, 2007.

³ “With Soaring Gift Card Sales Poised to Exceed \$80 Billion in 2006, Unused Card Value are also on the Rise,” TowerGroup.

⁴ “Gift Cards from American Express, Discover, MasterCard and Visa Earn 93% Satisfaction with Consumers,” National Branded Prepaid Card Association Press Release, November 8, 2007.

\$3.5 billion annually estimated to be lost from debit and credit card fraud.⁵ And there are signs that gift card breakage is worsening. For example, Consumer Reports just released a survey showing that, as of October 2007, 27 percent of consumers who received gift cards during the 2006 holiday season had not yet used one or more of the cards they received. That figure compares to 19 percent at the same time last year.⁶

Gift card breakage is clearly a concern of government regulatory agencies and state legislatures. Our 2006 gift card study noted that the Federal Trade Commission (FTC) was pursuing action against Darden Restaurants, the parent of Red Lobster, Olive Garden, Smokey Bones, and Bahama Breeze, for failure to adequately disclose its gift cards' dormancy fees.⁷ In 2007 the FTC settled its case against Darden⁸ and a similar one against Kmart⁹ by requiring the companies to reimburse consumers who lost money from their inadequately disclosed gift card fees.¹⁰ As we noted in last year's study, both companies had already eliminated the fees from their gift cards.

⁵ "With Soaring Gift Card Sales Poised to Exceed \$80 Billion in 2006, Unused Card Value are also on the Rise," TowerGroup.

⁶ "Consumer Reports Takes on Gift Cards in Second-Annual Public Education Campaign," Consumer Reports Press Release, November 13, 2007.

⁷ "Gift Cards 2006: Retail Cards Continue to Improve (with Prodding); Bank Cards Still Have Problems," Montgomery County, Maryland Office of Consumer Protection, November 20, 2006, p.2.

⁸ In the Matter of Darden Restaurants, Docket No. C-4189, U.S. Federal Trade Commission, Decision and Order, May 7, 2007.

⁹ In the Matter of Kmart Corporation, Docket No. C-4197, U.S. Federal Trade Commission, Decision and Order, August 14, 2007.

¹⁰ Our previous gift card reports pointed out the problems with the companies' disclosures of their gift card fees (see, e.g., "Gift Cards 2005, Many Good Retail Cards. Any Good Bank Cards?" Montgomery County, Maryland Division of Consumer Affairs, December 1, 2005). The FTC's press releases on its settlements acknowledged the office's assistance.

State legislatures have shown their concern about gift card breakage by enacting legislation to address gift card fees and expiration dates. In 2007 Arkansas, Florida, Illinois, Minnesota, Nevada, New Mexico, North Carolina, Oregon, and Utah enacted gift card laws and are on the list of approximately 30 states with such legislation.

Concerns about the breakage issue is also the reason the Montgomery County Office of Consumer Protection has been issuing annual gift card reports since 2003. We believe that giving consumers information on gift cards, particularly on which ones have expiration dates or fees, enables consumers to adjust their card buying and usage to minimize breakage.

METHODOLOGY

For this, our fifth annual gift card report, we reviewed the gift cards, packaging and inserts, websites, and policies of 22 major retailers and restaurant chains and 20 bank card issuers. The list of retailers and restaurants (contained in the Retail Card Table at the end of this report) includes department stores, discount stores, clothing stores, home improvement stores, video rental stores, sporting goods stores, gas stations, and coffee shops. The bank cards are listed in the Bank Card Table at the end of this report. The information in this report was gathered from late October to mid-November 2007. The retail cards were all purchased in the named stores or restaurants. The cards were not bought in “gift card malls” in which a company’s cards may sometimes have different features than those

purchased directly from the company. Bank cards were purchased online from the issuer or in person from retailers. Maryland has a gift card law prohibiting imposing fees or expiration dates on retail gift cards until they are four years old. To ensure that this report remains relevant for the states that don't have similar legislation, we purchased our cards outside Maryland in jurisdictions without similar legislation.

Retail Cards

Like last year's study, we again looked at the following five retail gift card issues:

- 1) Whether replacement cards may be obtained if the gift card is lost or stolen and its value has not been depleted,**
- 2) Whether the cards have an expiration date,**
- 3) Whether fees might be assessed to the card's balance,**
- 4) Whether there is pre-purchase disclosure of any fee or expiration date in the stores and on the company's website, and**
- 5) Whether the cards offer the convenience of purchasing from the company's website.**

There have been news reports that scammers have obtained the card numbers of unsold cards and then used the numbers to spend a sold card's value online before the recipient uses the card. The gift card industry has responded to the threat of this or other scams by putting PIN numbers, covered with scratch off coating, on cards. We, therefore, also looked at whether the cards have scratch off PINs.

Results for these factors are presented in the Retail Card Table.

Bank Cards

Even a cursory look at bank cards reveals they are considerably more complex than retail cards. The relevant information on retail cards ordinarily fits on the back of the cards, whereas bank cards are packaged with a fairly lengthy card agreement of terms and conditions. All the cards we bought in person were enclosed in packages, which may also disclose key terms. Their websites often feature a Frequently Asked Questions section, as well as a copy of the card's terms and conditions. In short, bank cards impose a variety of fees, offer features, and present problems that retail cards do not.

We have made some changes in the factors we focused on in bank cards, but they bear a resemblance to those we focused on with retail cards. They are:

- 1) Whether there is a purchase/processing charge and the amount,
- 2) Whether there is a maintenance fee and the amount,
- 3) Whether the card has an expiration date and when,
- 4) Whether a lost or stolen card can be replaced and at what charge,

- 5) **What other fees a card may impose,**
- 6) **Whether the cards may be used for online purchases, and**
- 7) **Whether the cards offer security features to prevent online abuse by scammers.**

Like last year, we also looked at whether the cards have potential problems when they are used in a purchase greater than the amount on the cards. Press accounts have highlighted that consumers have experienced problems in such transactions with bank cards, including having the transaction rejected.¹¹ This is because bank cards are processed through the existing credit or debit card system, which may not be capable of reading the precise value on the bank card and putting the balance of the transaction on another form of payment, as is easily done with retail cards.

Finally, we focused more on the adequacy of disclosures on bank cards, their packages, enclosures, and websites. In evaluating these disclosures, we noted the guidance that the Office of the Comptroller of the Currency, part of the U.S. Department of the Treasury, provided national banks in 2006 on disclosures and marketing issues regarding their gift cards.¹² But we also applied our own common sense in noting issues with the disclosures.

The results for all these factors appear in the Bank Card Table.

¹¹ Caroline Mayer, "Bank Cards Come Wrapped With Limits," The Washington Post, February 17, 2006, p. D1.

¹² Gift Card Disclosures, OCC Bulletin 2006-34, Office of the Comptroller of the Currency, August 4, 2006.

FINDINGS

Retail Cards

- 18 of the 22 studied cards are recommended because they have the five positive features we were looking for. That is, they have no fees, no expiration dates, they can be replaced if lost or stolen, they can be used to make purchases on the companies' websites, and they have a scratch off PIN for security. The cards are those of Abercrombie and Fitch, Best Buy, Blockbuster, Circuit City, Crate and Barrel, Gap, JCPenney, KB Toys, Kohl's, Lowe's, Nordstrom, Old Navy, PetSmart, Sears, Sports Authority, Starbucks, Target, and Wal-Mart. If one is looking for a gift card they are all good choices. Blockbuster's presence on this list is particularly notable because we have found in previous years that Blockbuster cards had fees or expiration dates. Blockbuster has eliminated the fees/expiration dates on its new cards and is now in the top category. (Although its cards didn't qualify for our recommended group, we should also note that Pizza Hut's gift card phone line now announces that the maintenance fees for which we downgraded their cards in last year's report have been eliminated, regardless of what is stated on its cards.)
- The other four studied cards are not recommended because they carry fees or expiration dates. Macy's and Bloomingdale's cards continue to impose an expiration date of two years after the last value added (the cards are reloadable). At least Bloomingdale's cards' packages disclose this more straightforwardly than last year. Shell's gas cards also continue to impose a

dormancy fee of \$1.75 per month after 12 months of non-use. This is the first year we have studied Claire's cards. They impose a dormancy fee of \$1.00 per month after 24 months non-use with a twist: the fee is imposed retroactively to the first month of inactivity so that a \$25.00 card would suddenly be reduced to \$1.00 when the fee kicks in. This is similar to the way Kmart's fee used to work before it was eliminated under pressure from the FTC. Unlike the other three companies with not recommended cards, Claire's does not adequately disclose its fee. It is disclosed on the back of the cards—as are all the retail card fees and expiration dates we've seen—and one can look at the card backs in stores, but Claire's website gives no disclosure of this fee when card orders are placed on its website. It is surprising after the FTC's Darden and Kmart cases that a major retailer would have such a gap in disclosing gift card fees.

Bank Cards

- All 20 of the studied bank cards impose a purchase/processing charge. For moderately priced cards they range from a low of \$2.00 in Simon Malls for their Visa Gift Cards to a high of \$10.90 for American Express Gift Cards for Kids ordered online or by phone.
- All 20 of the bank cards impose a maintenance fee. 19 of the 20 impose the fee on a monthly basis, ranging from \$1.25 to \$4.95 per month. Six of those 19 cards delay the monthly charge for six months. 11 delay the monthly charge for a year, while the two Discover Gift Cards delay it until after a year of non-use.

The iCARD Visa Gift Card takes a different tact by imposing a \$25.00 fee after the first six months and then each six months thereafter.

- **All 20 of the bank cards have an expiration date. The shortest expiration period is six months for the iCARD Visa Gift Card and longest was 42 months for our sample of the GiftCertificates.com MasterCard Gift Card. All of these cards offer the opportunity to have any remaining balance at expiration returned via a reissued card or check. The American Express Gift Cards do not charge for a new card. Otherwise, the charges for a new card or refund check range from \$5.00 to \$25.00. The iCARD Visa Gift Card has the highest fee, along with the shortest expiration date. Its double whammy after six months is to simultaneously charge a \$25.00 maintenance fee and expire. It will then cost another \$25.00 to get any remaining balance returned. (That's if one acts promptly; if one delays more than two years to ask for a refund the charge is \$75.00.) Some of the other cards specify that the new card or check must be requested within a time limit, the Gift2Go Visa Gift Card's is 60 days. But there is another reason to ask for the card's balance to be returned promptly after expiration: the maintenance fees for many of these cards continue to be charged even after the stated expiration date. They can quickly eat away any balance that existed at expiration.**
- **All 20 of the cards offer replacements if a card is lost or stolen. They also all charge for that service. The charges range from \$5.00 to \$15.00. The All-Access Visa Gift Card will refund a lost card's balance via check instead of a new card.**

It is critical that the companies be promptly notified of a missing card so that there is a balance to be returned.

- Seven of the cards impose other fees. The iCARD, the only card of the 20 that can be used in ATMs, charges \$2.50 above the surcharge of the ATM owner for each such transaction. The GiftCards.com Visa Debit Gift Card charges \$0.35 for each purchase with the card. The Gift2Go Visa Gift Card offers paper statements but charges \$5.00 for them. Other cards may impose fees for phone inquiries. The AAA Visa gift Card may charge the cardholder \$15.00 if the card's balance goes negative, which presumably would only happen if there's an error in the system.**
- All 20 of the cards may be used to make purchases online. All 20 also have security provisions for such purchases. Many require special registration of the card to make such purchases.**
- All 20 of the cards acknowledge the potential problems when trying to use the card toward a purchase greater than the value on the card. They give fairly detailed instructions for dealing with the problem by attempting a "split tender" transaction. In such a transaction the cardholder is supposed to have previously ascertained the precise value on the bank card and ask the checkout clerk to split the transaction into one for that amount on the bank card and another for the balance of the purchase with a different form of payment. Interestingly, some cards instruct that the bank card portion of the split tender transaction should be rung up first, while others instruct that the transaction for the balance**

should be rung up first (a transaction for which a calculator may prove handy). American Express' Card Agreement is perhaps the most forthright in acknowledging that attempting a split tender transaction may not solve the problem. After instructing consumers how to attempt a split tender transaction, it notes that "[s]ome retailers, particularly department stores, will only allow a 'split tender' transaction if the second form of payment is cash or check. Internet and most mail order merchants do not permit 'split tender' transactions. We do not guarantee that the Merchant will accept two forms of payment such as two gift cards."

- Our review of the cards' disclosures revealed some fundamental flaws. The AAA and iCARD Visa Gift Cards do not disclose the maintenance fee on the cards themselves and the All-Access Visa Gift Card does not contain the specifics of the maintenance fee. These failures run directly counter to the guidance provided by the Comptroller of the Currency in 2006. The package of the Vanilla Visa Gift Card fails to disclose its maintenance fee, so a potential buyer is unaware. This card and its package, as well as the Vanilla MasterCard and its package, say that the card's balance never expires. The Comptroller of the Currency's guidance made clear that such statements should not be made in connection with cards that have a maintenance fee that makes them expire slowly. The packaging of the All-Access Visa Gift Card has a similar problem, as we pointed out in our 2006 report. American Express is phasing out packages with similar language, but we continue to find some of these packages in

retailers. The U.S. Bank Visa Gift Card and giftcertificates.com MasterCard Gift Card websites disclose that their cards expire but fail to disclose how long the card you order will be valid. In addition, some of the cards' retail display packages do not disclose the cards' purchase/processing fee on the front of the package. This can be misleading to consumers who are used to buying retail cards and paying only for the amount on the card.

HIGHLIGHTS

Retail Cards

This year's report spotlights 18 recommended cards that have every desirable feature we specified. The bigger picture is that there are many other good retail cards on the market. Our four not recommended cards impose fees or expiration dates, but due to the improvements in retail cards in recent years, one may be hard pressed to find other national retail cards with fees or expiration dates. That leaves many good choices and we have recommended 18 of the best.

Bank Cards

We have not seen similar improvement in bank cards, except that it does appear to be getting somewhat easier to find bank cards that do not impose maintenance fees until after one year. Another noteworthy development is that Discover Gift Cards, which delay maintenance fees until after one year of non-use, can now be purchased by everyone—not just Discover Cardmembers—online and in selected malls.

Besides bank cards' ubiquitous fees and expiration dates, the problem of paying for a purchase greater than the card's value is a substantial one. In addition, our study found some surprising disclosure problems with some of these cards. Overall, the issue for bank cards is whether the convenience of having a card accepted at many merchants is worth the fees and the potential inconvenience of problems paying for a purchase greater than the card's value.

RECOMMENDATIONS

For Card Buyers/Givers

- Choose one of the 18 standout retail cards highlighted in this study. While the features highlighted in this study may not be critical to all recipients, we believe they will appreciate receiving a card with all of these features. In addition, the breakage figures cited at the beginning of this report show that expiration dates, fees, or losing a card become a factor much more often than one would expect.
- If the widespread acceptance of a bank card is of primary importance, pick one that does not impose maintenance fees until at least one year. It may also be worth checking out the cards offered by your own bank because some offer cards with relatively low fees for their own customers.
- Send the original receipt along with the card to the recipient or the recipient's parent. Advise them to keep it in a safe place so they can seek a replacement if the card is lost or stolen.

- **When buying a gift card, look carefully at the pre-purchase disclosures of terms and conditions on the website and the packaging or cards in the store or bank. If terms are not given, or appear too cryptic to be complete, do not buy it.**

For Recipients

- **Spend the cards quickly so yours don't become breakage statistics.**
- **Look at the terms and conditions on the back of a gift card and any paper insert as soon as you receive one. If the card has an expiration or fee commencement date, it is especially important to spend it promptly. Avoid the bank card uses that incur additional fees.**
- **Set up a family gift card file to retain the original receipts, subsequent receipts, any expiration/fee commencement dates, any inserts with terms and conditions, and toll free customer service numbers. Register the cards that require this for replacement.**
- **Call the toll free number as soon as possible if the card is missing, because you should not expect a replacement if someone else has spent the balance on your missing card. Even if the card says that replacements are not provided, contact the company anyway if it is lost or stolen. It does not hurt to ask, and we talked to some customer service representatives who indicated that their company might replace cards with proper proof of purchase even when its stated policy is not to.**

Retail Cards (Recommended Cards)

Card	Replacement cards available if lost or stolen?	Expiration Date?	Are there Fees?	Is the expiration date/fee disclosed pre-purchase in both store and website?	Can card be used to purchase from company website?	Scratch off PIN for security?
Abercrombie & Fitch	Yes, with original receipt	No	No	—	Yes	Yes
Best Buy	Yes, with proof of purchase	No	No	—	Yes	Yes
Blockbuster	Yes, with card number and receipt	No	No	—	Yes, if card has PIN higher then 6016	Yes
Circuit City	Yes, with original receipt	No	No	—	Yes	Yes
Crate & Barrel	Yes, if card registered	No	No	—	Yes	Yes
Gap	Yes, with original receipt	No	No	—	Yes	Yes
JCPenney	Yes, with proof of purchase	No	No	—	Yes	Yes
KB Toys	Yes, with proof of purchase	No	No	—	Yes	Yes
Kohl's	Yes, with proof of purchase	No	No	—	Yes	Yes
Lowe's	Yes, with original receipt	No	No	—	Yes	Yes
Nordstrom	Yes, with proof of purchase	No	No	—	Yes	Yes
Old Navy	Yes, with original receipt	No	No	—	Yes	Yes
PetSmart	Yes, with proof of purchase and card number	No	No	—	Yes	Yes
Sears	Yes, with proof of purchase	No	No	—	Yes	Yes
Sports Authority	Yes, with proof of purchase and ID	No	No	—	Yes	Yes
Starbucks	Yes, if card registered	No	No	—	Yes	Yes
Target	Yes, with original receipt	No	No	—	Yes	Yes
Wal*Mart	Yes, with original receipt	No	No	—	Yes	Yes

Retail Cards (Not Recommended)

Card	Replacement cards available if lost or stolen?	Expiration Date?	Are there fees?	Expiration date/fee disclosed pre-purchase in both store and website?	Can card be used to purchase from company website?	Scratch off PIN for security?
Bloomingdale's (a Federated Dept. Store)	Yes, with proof of purchase	Yes, after 2 years from last value added ¹	No	Yes	Yes	Yes
Claire's	No ²	No	\$1 per month, after 24 months non-use, retroactive to first month non-use ¹	No	n/a	No
Macy's (a Federated Department Store)	Yes, with proof of purchase	Yes, after 2 years from last value added ¹	No	Yes	Yes	Yes
Shell	Yes, with proof of purchase	No	\$1.75/month after 12 months non-use ¹	Yes	n/a	No

¹ Expiration dates or fees do not apply in states that prohibit them.

² Customer Service representative indicated company may provide replacement with proper proof of purchase.

Bank Cards

Card	How Purchased and Purchase/Processing Charge	Maintenance Fees	Expiration Date	Replacement Card Fee	Other Fees	Potential Problem When Purchase Exceeds Card Value?	Use Online?	Security?	Disclosure Issues
AAA Visa Gift Card (Charter One Bank)	In AAA Branches \$4.95	\$1.25 per month after 6 months (12 in NY), until card depleted.	Printed on card (Sample purchased expired after 22 months.)	\$5.95	\$0.50 for card registration and balance inquiries by phone. \$15 if balance goes negative.	Yes	Yes	Yes	Card does not disclose maintenance fee.
All-Access Visa Gift Card (Inter National Bank)	Participating Retailers \$3.95 for \$25.00 \$4.95 for \$50.00 \$5.95 for \$100.00	\$4.95 per month after 12 months, until balance is depleted.	Maximum of 3 years from date of purchase - printed on the card and package. Balance may be returned by check for \$9.95, within 24 months.	\$9.95 to refund balance by check.	\$0.50 for balance inquiry by phone.	Yes	Yes	Yes	Specifics of maintenance fee not disclosed on card.
American Express Gift Card	Online at www.americanexpress.com/giftcard By phone at 1-877-AXP-GIFT At participating banks, retailers, and malls. (Prices may vary.) \$3.95, plus \$5.95 shipping (\$2.00 for personalized cards) for online and phone orders. Not available to residents of CT, HI, NH, RI, &VT	\$2.00 per month after 12 months, until balance is depleted.	Up to 3 years from date of purchase, depending on where purchased– marked on card. Remaining balance may be transferred to a new gift card for free or refunded by check minus \$10.00 check-issuance fee.	\$5.95	No	Yes	Yes	Yes	Front of package does not disclose amount of purchase/process charge.

Card	How Purchased and Purchase/Processing Charge	Maintenance Fees	Expiration Date	Replacement Card Fee	Other Fees	Potential Problem When Purchase Exceeds Card Value?	Use Online?	Security?	Disclosure Issues
American Express Gift Card for Kids	<p>Online at www.americanexpress.com/giftcard</p> <p>By phone at 1-877-AXP-GIFT</p> <p>\$4.95, plus \$5.95 shipping for online and phone orders</p> <p>At participating banks, retailers, and malls. (Prices may vary.)</p> <p>Not available to residents of CT, HI, NH, RI, &VT</p> <p>American Express sells similar cards for teens, birthdays, dining, movie lovers and bride and groom.</p>	\$2.00 per month after 12 months, until balance is depleted.	<p>Up to 3 years from date of purchase, depending on where purchased– marked on card.</p> <p>Remaining balance may be transferred to a new gift card for free or refunded via check minus \$10.00 check-issuance fee.</p>	\$5.95	No	Yes	Yes	Yes	Front of package sold in retailers does not disclose amount of purchase/processing charge.
The Apprentice MasterCard Gift Card (First Regional Bank)	<p>Online at www.apprenticecard.com</p> <p>\$6.00 for \$25.00 \$7.00 for \$50.00 \$9.00 for \$100.00</p>	\$2.95 per month after 6 months, until balance is depleted or card expires.	<p>12 months from date of purchase, printed on card.</p> <p>A \$10.00 inactivity fee is applied at expiration. Any balance may be returned on a new card for \$5.95.</p>	\$5.95	No	Yes	Yes	Yes	See footnote. ¹

¹ Information not complete because card still not received 22 days after online order. Listed toll free number could not provide information and did not call back as promised.

Card	How Purchased and Purchase/Processing Charge	Maintenance Fees	Expiration Date	Replacement Card Fee	Other Fees	Potential Problem When Purchase Exceeds Card Value?	Use Online?	Security?	Disclosure Issues
Discover Gift Card	<p>Online at www.discovergiftcard.com</p> <p>By phone at 1-866-522-7026 (Must be a Discover Cardmember to purchase by phone.)</p> <p>\$3.95 fee for Original Gift Card and \$6.95 for Premium Gift Card Package</p> <p>Not available to residents of CT, DC, HI, MA, ME, NH, RI, TN & VT</p>	\$2.50 per month after 12 consecutive months non-use, until balance is depleted.	<p>24 months from time of purchase. Printed on Card.</p> <p>Remaining balance may be transferred to a new gift card less a \$5.00 service fee (must be requested within 90 days after expiration).</p>	\$5.00	No	Yes	Yes	Yes	—
Discover Gift Card	<p>In select shopping malls</p> <p>\$4.95</p>	\$2.50 per month after 12 consecutive months non-use, until balance is depleted.	<p>Printed on card. (Sample purchased expires after 31 months.)</p> <p>Remaining balance may be transferred to a new gift card less a \$5.00 service fee (must be requested within 90 days after expiration).</p>	\$5.00	No	Yes	Yes	Yes	—
Giftcards.com Visa Debit Gift Card	<p>Online at www.giftcards.com</p> <p>\$4.95 for \$25 - \$75 \$5.95 for \$76 - \$250 \$6.95 for \$251 - \$500</p>	\$2.50 per month after 6 months, until balance is depleted.	<p>2 years from issue date.</p> <p>Balances over \$25 refunded via new gift card for \$5.00. Balances under \$25 refunded by check for \$7.00.</p>	<p>\$5.00 for new card if balance over \$25. Balance under \$25 refunded by check for \$7.00.</p>	Yes \$0.35 fee for each purchase.	Yes	Yes	Yes	—

Card	How Purchased and Purchase/Processing Charge	Maintenance Fees	Expiration Date	Replacement Card Fee	Other Fees	Potential Problem When Purchase Exceeds Card Value?	Use Online?	Security?	Disclosure Issues
GiftCertificates.com MasterCard Gift Card	Online at www.giftcertificates.com	\$2.00 per month after 12 months, until balance is depleted.	Printed on card (sample purchased expired after 42 months). Balance may be refunded on new card for \$10.00 or by check for \$20.00.	\$15.00	No	Yes	Yes	Yes	Website does not disclose how long the gift card is valid.
Gift2Go Visa Gift Card (Marshall Bank)	Online at www.gift2go.net By phone at 1-800-995-3065 \$3.95 for \$20 - \$99.99 \$4.95 for \$100 - \$199.99 \$5.95 for \$199.99 - \$250	\$2.50 per month after 12 months, until value depleted or expiration date, whichever is first.	2 years from date issued, printed on card. Balance refunded on new card for \$5.00 fee, if requested within 60 days.	\$5.00	\$5.00 for paper statement.	Yes	Yes		—
HSBC MasterCard Gift Card	Online at www.hsbcgift.com \$4.95 for \$25 - \$200 \$6.95 for \$201 - \$500	\$2.50 per month after 12 months.	24 months after purchase, printed on card. Balance may be refunded by check for \$10.00.	\$5.95	No	Yes	Yes	Yes	—
iCARD Visa Gift Card (BANKFIRST)	Online at www.icardgiftcard.com \$7.95 online By phone at 1-636-733-7541 \$5.95 plus 2.5% of card's value for phone orders	\$25.00 per 6 months, waived for first 6 months, until balance is depleted or refund requested.	6 months from the month following issuance. Balance may be refunded by check for \$25.00 fee within 1 year of purchase, \$50.00 from 1-2 years, or \$75.00 after 2 years.	\$5.95	\$2.50 per transaction above surcharge of ATM owner.	Yes	Yes	Yes	Maintenance fee not disclosed on card.

Card	How Purchased and Purchase/Processing Charge	Maintenance Fees	Expiration Date	Replacement Card Fee	Other Fees	Potential Problem When Purchase Exceeds Card Value?	Use Online?	Security?	Disclosure Issues
Ideal Gift Visa Gift Card (Meta Bank)	Participating retailers. Varies - \$5.95 Maximum	\$2.00 per month after 12 months, until balance depleted.	Printed on card. Balance can be refunded by check for \$15.00, if requested within 12 months.	\$5.95	No	Yes	Yes	Yes	Extremely small print on card and terms and conditions provided with card.
National City Visa Gift Card	In Branches - \$2.95 Online at www.giftcard.nationalcity.com \$4.95 - \$8.95, depending on gift card value, plus \$2.50 if non-National City card used to purchase.	\$2.50 per month after 6 months, until card depleted.	12 months after purchase, printed on card. Balance may be refunded by check for \$5.00.	\$15.00	No	Yes	Yes	Yes	—
Simon Mall Visa Gift Card (U.S. Bank)	Online at www.simongiftcard.com In Simon malls \$5.95 online \$2.00 in malls	\$2.50 per month after 12 months, until expiration date.	At least 20 months from date purchased. Printed on front of card. Remaining balance may be transferred to a new card for \$15.00 reissue fee.	\$5.00	No	Yes	Yes	Yes	—
Suntrust Visa Gift Card	Online at www.suntrust.com/giftcard \$4.95 By Phone – 1-800-318-0210 \$6.95	\$2.50 per month after 6 months.	At least 1 year after purchase date, printed on card. Balance may be refunded by check for \$15.00.	\$5.00	\$1.00 per call for more than 2 calls to customer service per month.	Yes	Yes	Yes	—

Card	How Purchased and Purchase/Processing Charge	Maintenance Fees	Expiration Date	Replacement Card Fee	Other Fees	Potential Problem When Purchase Exceeds Card Value?	Use Online?	Security?	Disclosure Issues
Vanilla Visa Gift Card (U.S. Bank)	Participating Retailers \$3.95 for \$25 \$4.95 for \$50 \$5.95 for \$100	\$1.50 per month after 12 months, until balance is depleted.	Printed on card. Balance may be refunded on new card for \$5.95 or by check for \$10.00.	\$5.95	No	Yes	Yes	Yes	Maintenance fees not disclosed on package. Card and package say balance never expires.
Vanilla MasterCard Gift Card (Marshall Bank)	Participating Retailers \$4.95 for \$25 \$5.95 for \$50 \$6.95 for \$100	\$1.50 per month after 12 months, until balance is depleted.	Printed on card. Balance may be refunded on new card for \$5.95 or by check for \$10.00.	\$5.95	No	Yes	Yes	Yes	Despite maintenance fee, card and package say balance never expires.
U.S. Bank Visa Gift Card	Online at www.usbank.com Online - \$6.95 U.S. Bank Branch - \$4.99	\$2.50 per month after 6 months, until value depleted.	Printed on card. Printed on card (sample purchased expired after 24 months). Remaining balance may be returned by check for \$15.00.	\$15.00	\$1.00 for each call to a customer service representative. \$0.50 per call to automated phone line after first 2 calls.	Yes	Yes	Yes	Website does not disclose how long the gift card is valid.
Washington Mutual MasterCard Gift Card (Washington Mutual)	Online at www.wamugiftcards.com \$5.45 for \$25 - \$200 \$7.95 for \$201 - \$500	\$2.50 per month after 12 months, until balance is depleted.	24 months from purchase date. Printed on card. Remaining balance may be transferred to a new gift card or refunded via check for \$15 fee. Must be requested within 180 days of expiration date.	\$15.00	No	Yes	Yes	Yes	—

Montgomery County Office of Consumer Protection

100 Maryland Avenue

Suite 330

Rockville, MD 20850

240-777-3636

November 2007