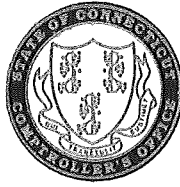


# State of Connecticut

RICHARD BLUMENTHAL  
ATTORNEY GENERAL



Hartford

November 26, 2010

University National Bank  
200 University Avenue W.  
St. Paul, MN 55103  
Attn: Jim Conrad, President

Dear Mr. Conrad:

I am writing to you with significant questions and concerns about the Kardashian Kard -- a so-called "prepaid debit card" featuring a menu of fees -- that University National Bank apparently offers to consumers pursuant to a licensing agreement with MasterCard.

I am deeply disturbed by this card's high fees combined with its appeal to financially unsophisticated young adults. In reality, no family can "keep up with the Kardashians" using this card.

The Kardashian Kard appears to resemble a gift card under Connecticut law and therefore could be subject to our state's gift card law, designed to protect consumers from pernicious and predatory fees that can unconscionably drain the value of gift cards. The Kardashian Kard's high monthly service fee will have some of the same effects -- draining the value of the card balance even if the cardholder does not use the card.

According to your website, the Kardashian Prepaid MasterCard is promoted as a "fast and convenient way to manage money" and described as a "prepaid card that allows cardholders to make purchases, obtain money at ATMs, send and receive money instantly from a mobile phone, online, or anywhere Debit MasterCard is accepted worldwide."

And, of course, the card -- or "kard" -- appears to specifically target young adults in evoking the name and image of the Kardashian family, well known for their reality television show "Keeping up with the Kardashians" and other popular culture outlets that seem to showcase their lives of luxury and extravagance.

Mandatory fees range from a minimum of \$59.95 to \$99.95 for one of these cards -- depending on whether consumers enter six-month or 12-month agreements. Following the six or 12-month term, consumers are then charged \$7.95 per month to month to maintain these cards. The card imposes several additional fees, including ATM withdrawal fees, bill pay fees, loading fees -- and even charges for talking to a live operator at their service center and a card cancellation fee.

In essence, consumers lose money before they can use it. These egregious fees raise considerable ethical, and perhaps legal, questions under Connecticut's consumer laws. The new federal Dodd-Frank Act also prohibits "abusive" financial products being sold to consumers.

I am particularly interested in ensuring that the card complies with both federal and Connecticut laws. As such, I hereby request that you provide my office with the following information:

- Please explain in detail your relationship with both MasterCard and the Kardashian family (or their representatives) in the marketing, distribution and sale of the Kardashian Kard.
- Is the Kardashian Kard being promoted and sold to Connecticut consumers? If so, where and how are these cards being advertised, offered and sold in Connecticut or to Connecticut consumers?
- Does the card ever expire or do the funds held ever become unavailable to consumers? To the extent the card features an expiration date or a "valid through" date, please provide a detailed explanation of the mechanics of this and how consumers are informed of such mechanics.
- Please provide a detailed explanation of all fees or charges which may be incurred by consumers due to their ownership or use of the card. In particular, please inform this office of any inactivity or dormancy fees to which consumers may be subject.
- Please provide a copy of the cardholder agreement and copies of all promotional materials for the card that may be distributed to or viewed by Connecticut consumers.

Please direct your written response to Assistant Attorney General Phillip Rosario within seven (7) business days after your receipt of this letter. You may respond by writing to the Office of the Attorney General, 110 Sherman St., Hartford, CT 06105, via e-mail to [Phillip.rosario@ct.gov](mailto:Phillip.rosario@ct.gov), or via facsimile at 860-808-5593. Whichever method you choose, please ensure that you are able to provide any supporting documentation.

Please feel free to contact AAG Rosario at 860-808-5400 with any questions you may have. We look forward to your response.

Very truly yours,



RICHARD BLUMENTHAL

c: AAG Phillip Rosario