

**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON DC 20268-0001**

Rate and Service Changes To Implement)
Functionally Equivalent Negotiated Service) Docket No. MC2004-3
Agreement with Bank One Corporation)

**ANSWERS OF BANK ONE CORPORATION TO
OFFICE OF CONSUMER ADVOCATE INTERROGATORIES
OCA/BOC-T1-11-16
(July 19, 2004)**

Bank One Corporation ("Bank One") hereby provides the responses of witness Rappaport to Office of Consumer Advocate interrogatories OCA/BOC-T1-11-16, filed July 7, 2004. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

/s/

David M. Levy
Joy M. Leong
Sidley Austin Brown & Wood LLP
1501 K St., N.W.
Washington, D.C. 20005
(202) 736-8000

Counsel for Bank One Corporation

July 19, 2004

**RESPONSE OF BANK ONE WITNESS RAPPAPORT
TO OCA INTERROGATORY OCA/BOC-T1-11**

OCA/BOC-T1-11. Please refer to your testimony at page 9, lines 8-14.

- (a) Please confirm that J.P. Morgan Chase has completed its purchase of Bank One Corp. If you do not confirm, please explain.
- (b) Please provide the effective date of the purchase of Bank One Corp. by J.P. Morgan Chase.

ANSWER:

(a) J.P. Morgan Chase and Bank One merged on July 1, 2004. The merged entity has adopted the name of J. P. Morgan Chase. The operations of the two companies are still in the process of being integrated.

- (b) See answer to part (a).

**RESPONSE OF BANK ONE WITNESS RAPPAPORT
TO OCA INTERROGATORY OCA/BOC-T1-12**

OCA/BOC-T1-12. Please refer to your testimony at page 9, lines 8-14.

- (a) Please confirm that J.P. Morgan Chase issues credit cards and offers checking account services. If you do not confirm, please explain.
- (b) Please confirm that the credit card and checking accounts of J.P. Morgan Chase will generate eligible First-Class customer account mail and solicitation mail, as described in 612.1 of Attachment A to the Postal Service's Request containing proposed DMCS language implementing the Bank One NSA. If you do not confirm, please explain.

ANSWER:

- (a) Confirmed.
- (b) Confirmed to the extent that Section 612.1 of Attachment A is subject to the provisions of Section 612.34(b), which requires that the discount threshold "be adjusted upward to add the volume of the merged or acquired entity for the 12 months prior to the date the mail of the merged entity is first mailed through the threshold permit accounts."

**RESPONSE OF BANK ONE WITNESS RAPPAPORT
TO OCA INTERROGATORY OCA/BOC-T1-13**

OCA/BOC-T1-13. Please refer to your testimony at page 9, lines 8-14.

- (a) Please provide the following information with respect to the credit card and checking accounts of J.P. Morgan Chase:
 - (i) The number of credit card accounts;
 - (ii) The number of retail customer accounts;
- (b) Please provide for J.P. Morgan Chase a description and the volumes of First-Class Mail for the following:
 - (i) credit card accounts;
 - (ii) credit card solicitations;
 - (iii) retail financial service accounts;
 - (iv) retail financial service solicitations; and,
 - (v) any other use of First-Class Mail related to credit and banking products and services, except mail paid for at the single-piece rate.

ANSWER:

(a) (i) The 2003 Annual Report of J. P. Morgan Chase, at page 41, contains a table of statistics relating to “Chase Cardmember Services” and indicates there are 30.8 million total accounts.

(ii) The 2003 Annual Report of J. P. Morgan Chase, at page 42, provides the following information, under “Chase Regional Banking”: “CRB [Chase Regional Banking] serves 326,000 small businesses, 433,000 affluent consumers and 2.6 million mass-market consumers.”

(b) The USPS records of mail volume based on J. P. Morgan Chase permit numbers indicate that J. P. Morgan Chase mailed approximately 389 million pieces of

**RESPONSE OF BANK ONE WITNESS RAPPAPORT
TO OCA INTERROGATORY OCA/BOC-T1-13**

First-Class Mail in Government Fiscal Year 2003. At this time, data are not available to disaggregate this volume into the five components. Although Bank One's NSA with the Postal Service allows Bank One 90 days from the date of merger to obtain such information, I intend to provide OCA the information at the earliest possible time.

**RESPONSE OF BANK ONE WITNESS RAPPAPORT
TO OCA INTERROGATORY OCA/BOC-T1-14**

OCA/BOC-T1-14. Please refer to your testimony at page 9, lines 8-14. What is the new first-year Discount Threshold for the merged J.P. Morgan Chase - Bank One entity? Please explain.

ANSWER:

Under section 612.34(b) of Attachment A to the Postal Service's Request, the discount threshold will be adjusted upward to add the volume of the merged or acquired entity for the 12 months before the date the mail of the merged entity is first mailed through the threshold permit accounts. That date is referred to as the date of integration. Because no date of integration has been set for any of the five categories of mail indicated in Article IV, Paragraph B, Section 1, Subsection d of the Bank One NSA, it is impossible at this time to determine the historical volume of mail for the 12 months before the date of integration. Therefore, the adjusted level of the discount threshold upon integration also cannot be determined yet.

**RESPONSE OF BANK ONE WITNESS RAPPAPORT
TO OCA INTERROGATORY OCA/BOC-T1-15**

OCA/BOC-T1-15. Please refer to Attachment F of the Request, which contains the NSA between the Postal Service and Bank One, Article IV. A. and B. Please discuss whether the by J.P. Morgan Chase qualifies under Paragraph A. or Paragraph B. of Article IV.

ANSWER:

The provisions of Article IV, Paragraph B of the Bank One NSA would apply.

**RESPONSE OF BANK ONE WITNESS RAPPAPORT
TO OCA INTERROGATORY OCA/BOC-T1-16**

OCA/BOC-T1-16. Please refer to Attachment F of the Request, which contains the NSA between the Postal Service and Bank One, Article VII. Please confirm that Bank One has assigned its rights and responsibilities under the NSA to J.P. Morgan Chase. If you do not confirm, please explain.

ANSWER:

By operation of law, Bank One's rights and responsibilities under the NSA were assumed by J. P. Morgan Chase.

CERTIFICATE OF SERVICE

I hereby certify that I have today caused the foregoing document to be served in accordance with Section 12 of the Commission's Rules of Practice

/s/

David M. Levy

July 19, 2004