want it known that you are charging 15.4 percent on some loans and you would prefer to go this route which will not reveal that. I hope that is not what you are telling me. If you would clarify that I would appreciate it.

Mr. GUNTHER. I am not talking for the District of Columbia Bankers Association. I do not know what the attitude of other bankers would be in answering that question. So far as I am concerned you are quoting me correctly.

Mr. JENNINGS. May I add this? Of course, the State of Arizona has $8 per hundred per year interest and discount to be added. So it is the same thing out there. This is nothing new.

What will we do? What would our reaction be on the 15.4 percent? I do not know. You know very well that under the Truth-In-Lending law we will be required, if we advertise, to point out that the rate ranges from one point to another point. When the customer comes in to borrow, if he is charged eight percent, we would say that it is 15.4 percent. I think that we would continue to make these loans right along. I prefer that it be handled as in so many States, as in the State of Arizona, for example, and I must say that the State of Virginia, a competing State, too. We dislike being the symbol here on this, but, on the other hand, to point out what we are charging for this loan I think, probably, we would resent that. If you insist on it and if it had to be done, we would go ahead and do it. After all, these people must know that when they cross the District Line they pay a lot more than that. Maybe some of the local banks would not. And they would get out of the business. I think that mine would, probably, stay in it, whichever way you handled it.

Mr. STEIGER. I do not want to belabor this. I think that we would like to say from what you have told me it is that you would prefer that it not be generally known that you charge 15.4 percent——

Mr. GUNTHER. I did not say that.

Mr. JENNINGS. I did not say that at all. Not at all. We will advertise that they pay 15.4 percent. It is that.

Mr. STEIGER. As a matter of fact, you will advertise at 15.4 percent. Rather, you will not do that. You will advertise that you have consumer loans. You would be foolish if you did otherwise.

Mr. JENNINGS. When the customer borrows, he will have to know.

Mr. STEIGER. In the light of that, I accept this. And I know that you are going to comply with the law. You are only objecting to having the usury rate raised to 15.4 percent. There must be a public relations objection.

Mr. JENNINGS. I suppose so.

Mr. STEIGER. What you are saying is that——

Mr. JENNINGS. That they will not be doing that, because of the law being written as it is in Arizona where it is $8 per hundred add-on.

Mr. STEIGER. What you are saying is that because the State of Arizona is permitted to deceive and that in the State of Virginia it is all right, on that basis you wish to——

Mr. JENNINGS. We think it is all right on the basis of the add-on discount of six or eight percent. We think it is all right. If you feel that it will be beneficial to the public, I guess our bank will continue to make loans, accordingly.

Mr. STEIGER. Thank you.