

**Appendix
Credit CARD Act & Effective Dates**

(1) Unless otherwise stated, the sections below modify TILA.

(2) Only provisions that apply to creditors are listed (i.e. provisions requiring Agencies or non-creditors to take certain actions are not addressed in this Appendix).

Sec.	Effective Date	Description
101(a)	08/20/2009	Requires a creditor to provide written notice not later than 45 days prior to the effective date of: (1) any increase in an annual percentage rate (APR); and (2) any significant change, as determined by rule of the Federal Reserve Board, in the terms of the cardholder agreement (including an increase in fees or finance charges).
106(b)	08/20/2009	Revises requirements for the timing of payments and the grace period. Requires each periodic statement of payment due to be mailed at least 21 days before the payment due date or grace period expiration date.
101(b)	02/22/2010	Prohibits a creditor from increasing any annual percentage rate (APR) of interest, fee, or finance charge applicable to the existing balance on an open end consumer credit card account unless specified conditions are met: (1) expiration of a specified time period (e.g. promotional period) disclosed clearly and conspicuously to the consumer before commencement of the time period; (2) a variable APR tied to an index not under the creditor's control; (3) payment not received within 60 days after the due date; or (4) completion of a workout or temporary hardship arrangement, or the consumer's failure to comply with such an arrangement. Prohibits any APR increase relating to such an arrangement from exceeding the APR applicable to the particular category of transactions on the day before the effective date of the arrangement. Prohibits a creditor from changing the terms governing repayment of an outstanding balance, but permits the creditor to provide the obligor with specified repayment methods.
101(d)	02/22/2010	Declares that no increase in any APR, fee, or finance charge, with certain exceptions, shall be effective before the end of the one-year period beginning on the date on which the account is opened. States that, in the case of a promotional rate, no written notice of an increase in the APR shall be effective before the end of a six-month period beginning from the date the promotional rate takes effect.
102(a)	02/22/2010	Prohibits imposition of a finance charge, with certain exceptions, upon a credit card account balance that is based on balances for days in billing cycles preceding the most recent billing cycle (double billing cycle) as a result of the loss of any grace period. Prohibits penalties for on-time payments. Prohibits the charge of an over-the-limit fee unless the consumer expressly permits the creditor to complete the relevant transaction (opt-in).

Sec.	Effective Date	Description
		<p>Allows imposition of an over-the-limit fee only once during a billing cycle. Prohibits its imposition more than once in two subsequent billing cycles with respect to such excess credit, unless the consumer: (1) has obtained an additional extension of credit in excess of the credit limit during any such subsequent cycle; or (2) reduces the outstanding balance below the credit limit as of the end of such billing cycle.</p> <p>Prohibits a creditor from imposing a separate fee related to the method of payment (by mail, electronic transfer, telephone authorization, or other means), unless the payment involves an expedited service by the creditor's service representative.</p>
103	02/22/2010	Limits the use of the term "fixed," in conjunction with an APR or applicable interest rate, to a rate that will not change or vary for any reason over the period specified clearly and conspicuously in the terms of the account.
104	02/22/2010	<p>Requires a creditor to promptly credit a consumer's payment if received by 5:00 pm on due date.</p> <p>Requires a card issuer, upon receipt of payment, to apply amounts in excess of the minimum payment amount first to the balance bearing the highest rate of interest, and then to each successive balance bearing the next highest rate of interest, until the payment is exhausted.</p> <p>Requires a creditor to allocate the entire amount paid in excess of the minimum payment to a balance on which interest is deferred during the last two billing cycles immediately preceding the expiration of the period during which interest is deferred.</p> <p>Prohibits a card issuer from imposing any late fee or finance charge for a late payment if: (1) the issuer makes a material change in the mailing address, office, or procedures for handling cardholder payments; and (2) such change causes a material delay in the crediting of payment made during the 60-day period following the date on which such change took effect.</p>
105	02/22/2010	<p>Prescribes a standard for the initial issuance of subprime or "fee harvester" cards (accounts requiring first-year fee payments in excess of 25% of the total amount of credit authorized).</p> <p>Prohibits payment of any fee from the credit made available by the card (other than any late fee, over-the-limit fee, or any fee for a payment returned for insufficient funds).</p>
106(a)	02/22/2010	Requires the payment due date to be the same day each month, or the next business day if such date falls on a weekend or holiday.
107	02/22/2010	Revises civil penalties for creditor noncompliance with TILA. Includes in such penalties twice the amount of

Sec.	Effective Date	Description
		any finance charge in connection with a transaction, between \$500 and \$5,000 (or a higher amount in the case of an established pattern or practice of noncompliance), in the case of an individual action relating to an open end consumer credit plan that is not secured by real property or a dwelling.
109	02/22/2010	Requires a card issuer to consider the ability of the consumer to make required payments as a prerequisite to opening any consumer credit card account, or increasing any credit limit.
201	02/22/2010	Revises and expands requirements for mandatory minimum payment disclosures a creditor must furnish. Directs the Federal Reserve Board to issue guidelines, by rule, for the establishment and maintenance by creditors of a toll-free telephone number for purposes of providing information about accessing credit counseling and debt management services.
202	02/22/2010	Revises requirements relating to late payment deadlines. Requires specified disclosures relating to increases in interest rates for late payments. States that the date on which the obligor makes a payment at the local branch of a creditor financial institution shall be considered to be the date on which the payment is made for purposes of determining whether a late fee or charge may be imposed due to the failure of the obligor to make payment on or before the due date for such payment.
203	02/22/2010	Requires a card issuer that has changed or amended any term of the account since the last renewal that has not been previously disclosed to make such a disclosure to the consumer by a certain deadline.
204	02/22/2010	Requires creditors to post on an Internet site the written agreement between the creditor and the consumer for each open-end consumer credit plan.
205	02/22/2010	Amends the Fair Credit Reporting Act to require any advertisement for a free credit report to disclose prominently that free credit reports are available under federal law at AnnualCreditReport.com (or other authorized source).
301	02/22/2010	Prohibits extensions of credit to consumers under age 21, unless the consumer has submitted a written application that meets specified requirements. Requires any such application to be signed by a cosigner, including the parent, legal guardian, spouse, or any other individual who has attained the age of 21 having a means to repay debts incurred by the consumer in connection with the account.
302	02/22/2010	Amends the Fair Credit Reporting Act to permit a consumer reporting agency to furnish a consumer report regarding credit or insurance transactions that are not initiated by the consumer only if the report does not contain a date of birth that shows that the consumer has not attained the age of 21, or, if the date of birth on

Sec.	Effective Date	Description
		the consumer report shows that the consumer has not attained the age of 21, the consumer consents to the furnishing of such report.
303	02/22/2010	Requires approval by the jointly liable party to increase credit lines for accounts for which a parent, legal guardian, spouse of the consumer, or any other individual is jointly liable.
304	02/22/2010	Requires an institution of higher education to disclose publicly any agreement made with a card issuer or creditor for the purpose of marketing a credit card. Prohibits a card issuer or creditor from offering to a student at an institution of higher education any tangible item as inducement to participate in an open end consumer credit plan if such offer is made: (1) on or near the campus of the institution; or (2) at an event sponsored by or related to such institution.
305	02/22/2010	Requires each creditor to submit an annual report to the Federal Reserve Board containing the terms and conditions of all business, marketing, and promotional agreements and college affinity card agreements with an institution of higher education, or with an affiliated or related alumni organization or foundation, with respect to any college student credit card issued to a college student at such institution.
101(c)	08/22/2010	Requires a creditor that increases the APR based upon factors including the obligor's credit risk, market conditions, or other factors to, at least once every six months: (1) consider changes in such factors in subsequently determining whether to reduce the APR for such obligor; and (2) reduce the APR when a review indicates a reduction.
102(b)	08/22/2010	Requires any penalty fee or charge to be reasonable and proportional to the omission or violation involved.
401	08/22/2010	Amends the Electronic Fund Transfer Act to declare unlawful: (1) the imposition of a dormancy fee, an inactivity charge or fee, or a service fee with respect to a gift certificate, store gift card, or general-use prepaid card; and (2) the sale or issuance of a gift certificate, store gift card, or general-use prepaid card that is subject to an expiration date.