

(Pub. L. 90-321, title I, § 121, May 29, 1968, 82 Stat. 152; Pub. L. 93-495, title III, § 307(c), (d), title IV, § 409, Oct. 28, 1974, 88 Stat. 1516, 1519; Pub. L. 94-205, § 11, Jan. 2, 1976, 89 Stat. 1159; Pub. L. 96-221, title VI, § 611, Mar. 31, 1980, 94 Stat. 174; Pub. L. 104-29, § 3(b), Sept. 30, 1995, 109 Stat. 273; Pub. L. 111-203, title X, § 1100A(2), July 21, 2010, 124 Stat. 2107.)

REFERENCES IN TEXT

Section 1602(f) of this title, referred to in subsec. (b), was redesignated section 1602(g) of this title by Pub. L. 111-203, title X, § 1100A(1)(A), July 21, 2010, 124 Stat. 2107.

AMENDMENTS

2010—Subsecs. (b) to (d). Pub. L. 111-203 substituted “Bureau” for “Board” wherever appearing.

1995—Subsec. (c). Pub. L. 104-29 inserted at end “In the case of any consumer credit transaction a portion of the interest on which is determined on a per diem basis and is to be collected upon the consummation of such transaction, any disclosure with respect to such portion of interest shall be deemed to be accurate for purposes of this subchapter if the disclosure is based on information actually known to the creditor at the time that the disclosure documents are being prepared for the consummation of the transaction.”

1980—Subsec. (a). Pub. L. 96-221 substituted provisions respecting to which obligor duty of creditor or lessor, where one or more than one obligor is involved, is owed, for provisions setting forth clear and conspicuous disclosure requirements for creditors to persons extended consumer credit.

Subsec. (b). Pub. L. 96-221 substituted provisions relating to disclosure requirements of creditor or lessor, for provisions relating to statement of information where more than one obligor is involved.

Subsecs. (c), (d). Pub. L. 96-221 added subsecs. (c) and (d).

1976—Subsec. (c). Pub. L. 94-205 struck out subsec. (c) which related to disclosure including a full statement of closing costs incurred and permitted estimates of such information where the lender was not in a position to know exact information.

1974—Subsec. (a). Pub. L. 93-495, § 307(c), inserted reference to part D of this subchapter and struck out “and upon whom a finance charge is or may be imposed” after “extended”.

Subsec. (b). Pub. L. 93-495, § 307(d), inserted reference to part D of this subchapter.

Subsec. (c). Pub. L. 93-495, § 409, added subsec. (c).

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L. 111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-221 effective on expiration of two years and six months after Mar. 31, 1980, with all regulations, forms, and clauses required to be prescribed to be promulgated at least one year prior to such effective date, and allowing any creditor to comply with any amendments, in accordance with the regulations, forms, and clauses prescribed by the Board prior to such effective date, see section 625 of Pub. L. 96-221, set out as a note under section 1602 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-205 effective Jan. 2, 1976, see section 12 of Pub. L. 94-205, set out as a note under section 2602 of Title 12, Banks and Banking.

EFFECTIVE DATE OF 1974 AMENDMENT

For effective date of amendment by section 307(c), (d) of Pub. L. 93-495, see section 308 of Pub. L. 93-495, set

out as an Effective Date note under section 1666 of this title.

For effective date of amendment by section 409 of Pub. L. 93-495, see section 416 of Pub. L. 93-495, set out as an Effective Date note under section 1665a of this title.

EFFECTIVE DATE

Section 504(b) of Pub. L. 90-321 provided in part that chapter 2 of title I, which enacted sections 1631 to 1641 of this title, is effective July 1, 1969.

REAL ESTATE SETTLEMENT PROCEDURES

Provisions of Real Estate Settlement Procedures Act of 1974, as superseding provisions of subsec. (c) of this section insofar as applying to federally related mortgage loans, see section 2605 of Title 12, Banks and Banking.

§ 1632. Form of disclosure; additional information

(a) Information clearly and conspicuously disclosed; “annual percentage rate” and “finance charge”; order of disclosures and use of different terminology

Information required by this subchapter shall be disclosed clearly and conspicuously, in accordance with regulations of the Bureau. The terms “annual percentage rate” and “finance charge” shall be disclosed more conspicuously than other terms, data, or information provided in connection with a transaction, except information relating to the identify of the creditor. Except as provided in subsection (c) of this section, regulations of the Bureau need not require that disclosures pursuant to this subchapter be made in the order set forth in this subchapter and, except as otherwise provided, may permit the use of terminology different from that employed in this subchapter if it conveys substantially the same meaning.

(b) Optional information by creditor or lessor

Any creditor or lessor may supply additional information or explanation with any disclosures required under parts D and E of this subchapter and, except as provided in sections 1637a(b)(3) and 1638(b)(1) of this title, under this part.

(c) Tabular format required for certain disclosures under section 1637(c)

(1) In general

The information described in paragraphs (1)(A), (3)(B)(i)(I), (4)(A), and (4)(C)(i)(I) of section 1637(c) of this title shall be—

(A) disclosed in the form and manner which the Bureau shall prescribe by regulations; and

(B) placed in a conspicuous and prominent location on or with any written application, solicitation, or other document or paper with respect to which such disclosure is required.

(2) Tabular format

(A) Form of table to be prescribed

In the regulations prescribed under paragraph (1)(A) of this subsection, the Bureau shall require that the disclosure of such information shall, to the extent the Bureau determines to be practicable and appropriate, be in the form of a table which—

- (i) contains clear and concise headings for each item of such information; and
- (ii) provides a clear and concise form for stating each item of information required to be disclosed under each such heading.

(B) Bureau discretion in prescribing order and wording of table

In prescribing the form of the table under subparagraph (A), the Bureau may—

- (i) list the items required to be included in the table in a different order than the order in which such items are set forth in paragraph (1)(A) or (4)(A) of section 1637(c) of this title; and

- (ii) subject to subparagraph (C), employ terminology which is different than the terminology which is employed in section 1637(c) of this title if such terminology conveys substantially the same meaning.

(C) Grace period

Either the heading or the statement under the heading which relates to the time period referred to in section 1637(c)(1)(A)(iii) of this title shall contain the term “grace period”.

(d) Additional electronic disclosures

(1) Posting agreements

Each creditor shall establish and maintain an Internet site on which the creditor shall post the written agreement between the creditor and the consumer for each credit card account under an open-end consumer credit plan.

(2) Creditor to provide contracts to the Bureau

Each creditor shall provide to the Bureau, in electronic format, the consumer credit card agreements that it publishes on its Internet site.

(3) Record repository

The Bureau shall establish and maintain on its publicly available Internet site a central repository of the consumer credit card agreements received from creditors pursuant to this subsection, and such agreements shall be easily accessible and retrievable by the public.

(4) Exception

This subsection shall not apply to individually negotiated changes to contractual terms, such as individually modified workouts or renegotiations of amounts owed by a consumer under an open end consumer credit plan.

(5) Regulations

The Bureau, in consultation with the other Federal banking agencies (as that term is defined in section 1681a of this title) and the Bureau,¹ may promulgate regulations to implement this subsection, including specifying the format for posting the agreements on the Internet sites of creditors and establishing exceptions to paragraphs (1) and (2), in any case in which the administrative burden outweighs the benefit of increased transparency, such as where a credit card plan has a de minimis number of consumer account holders.

(Pub. L. 90-321, title I, § 122, May 29, 1968, 82 Stat. 152; Pub. L. 93-495, title III, § 307(e), (f), Oct. 28,

1974, 88 Stat. 1516, 1517; Pub. L. 96-221, title VI, § 611, Mar. 31, 1980, 94 Stat. 175; Pub. L. 100-583, § 2(b), Nov. 3, 1988, 102 Stat. 2966; Pub. L. 100-709, § 2(d), Nov. 23, 1988, 102 Stat. 4731; Pub. L. 111-24, title II, § 204, May 22, 2009, 123 Stat. 1746; Pub. L. 111-203, title X, § 1100A(2), (3), July 21, 2010, 124 Stat. 2107.)

AMENDMENTS

2010—Subsecs. (a), (c). Pub. L. 111-203, § 1100A(2), substituted “Bureau” for “Board” wherever appearing.

Subsec. (d)(2), (3). Pub. L. 111-203, § 1100A(2), substituted “Bureau” for “Board” wherever appearing.

Subsec. (d)(5). Pub. L. 111-203 substituted “The Bureau, in” for “The Board, in” and “and the Bureau, may” for “and the Federal Trade Commission, may”.

2009—Subsec. (d). Pub. L. 111-24 added subsec. (d).

1988—Subsec. (a). Pub. L. 100-583, § 2(b)(1), substituted “Except as provided in subsection (c) of this section, regulations” for “Regulations”.

Subsec. (b). Pub. L. 100-709 substituted “sections 1637a(b)(3) and 1638(b)(1)” for “section 1638(b)(1)”.

Subsec. (c). Pub. L. 100-583, § 2(b)(2), added subsec. (c).

1980—Subsec. (a). Pub. L. 96-221 substituted provisions setting forth form of disclosure to meet requirements of this subchapter, for provisions setting forth form of disclosure authorized under this part or part D of this subchapter.

Subsec. (b). Pub. L. 96-221 substituted provisions setting forth disclosure requirements for additional information by creditors or lessors, for provisions setting forth disclosure requirements for additional information by creditors.

1974—Subsecs. (a), (b). Pub. L. 93-495 inserted references to part D of this subchapter.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L. 111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-24 effective 9 months after May 22, 2009, except as otherwise specifically provided, see section 3 of Pub. L. 111-24, set out as a note under section 1602 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

For effective date of amendments by Pub. L. 100-709, see Regulations; Effective Date note below.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-221 effective on expiration of two years and six months after Mar. 31, 1980, with all regulations, forms, and clauses required to be prescribed to be promulgated at least one year prior to such effective date, and allowing any creditor to comply with any amendments, in accordance with the regulations, forms, and clauses prescribed by the Board prior to such effective date, see section 625 of Pub. L. 96-221, set out as a note under section 1602 of this title.

EFFECTIVE DATE OF 1974 AMENDMENT

For effective date of amendment by Pub. L. 93-495, see section 308 of Pub. L. 93-495, set out as an Effective Date note under section 1666 of this title.

REGULATIONS; EFFECTIVE DATE

For provisions relating to promulgation of regulations to implement amendment by Pub. L. 100-709, and effective date of such amendment in connection with those regulations, see section 7 of Pub. L. 100-709, set out as a note under section 1637a of this title.

For provisions relating to promulgation of regulations to implement amendment by Pub. L. 100-583, and effective date of such amendment in connection with

¹ So in original.

those regulations, see section 7 of Pub. L. 100-583, set out as a note under section 1637 of this title.

§ 1633. Exemption for State-regulated transactions

The Bureau shall by regulation exempt from the requirements of this part any class of credit transactions within any State if it determines that under the law of that State that class of transactions is subject to requirements substantially similar to those imposed under this part, and that there is adequate provision for enforcement.

(Pub. L. 90-321, title I, § 123, May 29, 1968, 82 Stat. 152; Pub. L. 111-203, title X, § 1100A(2), July 21, 2010, 124 Stat. 2107.)

AMENDMENTS

2010—Pub. L. 111-203 substituted “Bureau” for “Board”.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L. 111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

§ 1634. Effect of subsequent occurrence

If information disclosed in accordance with this part is subsequently rendered inaccurate as the result of any act, occurrence, or agreement subsequent to the delivery of the required disclosures, the inaccuracy resulting therefrom does not constitute a violation of this part.

(Pub. L. 90-321, title I, § 124, May 29, 1968, 82 Stat. 152.)

§ 1635. Right of rescission as to certain transactions

(a) Disclosure of obligor’s right to rescind

Except as otherwise provided in this section, in the case of any consumer credit transaction (including opening or increasing the credit limit for an open end credit plan) in which a security interest, including any such interest arising by operation of law, is or will be retained or acquired in any property which is used as the principal dwelling of the person to whom credit is extended, the obligor shall have the right to rescind the transaction until midnight of the third business day following the consummation of the transaction or the delivery of the information and rescission forms required under this section together with a statement containing the material disclosures required under this subchapter, whichever is later, by notifying the creditor, in accordance with regulations of the Bureau, of his intention to do so. The creditor shall clearly and conspicuously disclose, in accordance with regulations of the Bureau, to any obligor in a transaction subject to this section the rights of the obligor under this section. The creditor shall also provide, in accordance with regulations of the Bureau, appropriate forms for the obligor to exercise his right to rescind any transaction subject to this section.

(b) Return of money or property following rescission

When an obligor exercises his right to rescind under subsection (a) of this section, he is not

liable for any finance or other charge, and any security interest given by the obligor, including any such interest arising by operation of law, becomes void upon such a rescission. Within 20 days after receipt of a notice of rescission, the creditor shall return to the obligor any money or property given as earnest money, downpayment, or otherwise, and shall take any action necessary or appropriate to reflect the termination of any security interest created under the transaction. If the creditor has delivered any property to the obligor, the obligor may retain possession of it. Upon the performance of the creditor’s obligations under this section, the obligor shall tender the property to the creditor, except that if return of the property in kind would be impracticable or inequitable, the obligor shall tender its reasonable value. Tender shall be made at the location of the property or at the residence of the obligor, at the option of the obligor. If the creditor does not take possession of the property within 20 days after tender by the obligor, ownership of the property vests in the obligor without obligation on his part to pay for it. The procedures prescribed by this subsection shall apply except when otherwise ordered by a court.

(c) Rebuttable presumption of delivery of required disclosures

Notwithstanding any rule of evidence, written acknowledgment of receipt of any disclosures required under this subchapter by a person to whom information, forms, and a statement is required to be given pursuant to this section does no more than create a rebuttable presumption of delivery thereof.

(d) Modification and waiver of rights

The Bureau may, if it finds that such action is necessary in order to permit homeowners to meet bona fide personal financial emergencies, prescribe regulations authorizing the modification or waiver of any rights created under this section to the extent and under the circumstances set forth in those regulations.

(e) Exempted transactions; reapplication of provisions

This section does not apply to—

(1) a residential mortgage transaction as defined in section 1602(w)¹ of this title;

(2) a transaction which constitutes a refinancing or consolidation (with no new advances) of the principal balance then due and any accrued and unpaid finance charges of an existing extension of credit by the same creditor secured by an interest in the same property;

(3) a transaction in which an agency of a State is the creditor; or

(4) advances under a preexisting open end credit plan if a security interest has already been retained or acquired and such advances are in accordance with a previously established credit limit for such plan.

(f) Time limit for exercise of right

An obligor’s right of rescission shall expire three years after the date of consummation of

¹ See References in Text note below.