

accounts offered by the depository institution, in accordance with the requirements of this section and regulations which the Bureau shall prescribe. The Bureau shall specify, in regulations, which fees, charges, penalties, terms, conditions, and account restrictions must be included in a schedule required under this subsection. A depository institution need not include in such schedule any information not specified in such regulation.

**(b) Information on fees and charges**

The schedule required under subsection (a) of this section with respect to any account shall contain the following information:

(1) A description of all fees, periodic service charges, and penalties which may be charged or assessed against the account (or against the account holder in connection with such account), the amount of any such fees, charge, or penalty (or the method by which such amount will be calculated), and the conditions under which any such amount will be assessed.

(2) All minimum balance requirements that affect fees, charges, and penalties, including a clear description of how each such minimum balance is calculated.

(3) Any minimum amount required with respect to the initial deposit in order to open the account.

**(c) Information on interest rates**

The schedule required under subsection (a) of this section with respect to any account shall include the following information:

(1) Any annual percentage yield.

(2) The period during which any such annual percentage yield will be in effect.

(3) Any annual rate of simple interest.

(4) The frequency with which interest will be compounded and credited.

(5) A clear description of the method used to determine the balance on which interest is paid.

(6) The information described in paragraphs (1) through (4) with respect to any period after the end of the period referred to in paragraph (2) (or the method for computing any information described in any such paragraph), if applicable.

(7) Any minimum balance which must be maintained to earn the rates and obtain the yields disclosed pursuant to this subsection and a clear description of how any such minimum balance is calculated.

(8) A clear description of any minimum time requirement which must be met in order to obtain the yields disclosed pursuant to this subsection and any information described in paragraph (1), (2), (3), or (4) that will apply if any time requirement is not met.

(9) A statement, if applicable, that any interest which has accrued but has not been credited to an account at the time of a withdrawal from the account will not be paid by the depository institution or credited to the account by reason of such withdrawal.

(10) Any provision or requirement relating to nonpayment of interest, including any charge or penalty for early withdrawal, and the conditions under which any such charge or penalty may be assessed.

**(d) Other information**

The schedule required under subsection (a) of this section shall include such other disclosures as the Bureau may determine to be necessary to allow consumers to understand and compare accounts, including frequency of interest rate adjustments, account restrictions, and renewal policies for time accounts.

**(e) Style and format**

Schedules required under subsection (a) of this section shall be written in clear and plain language and be presented in a format designed to allow consumers to readily understand the terms of the accounts offered.

(Pub. L. 102-242, title II, §264, Dec. 19, 1991, 105 Stat. 2335; Pub. L. 111-203, title X, §1100B(1), July 21, 2010, 124 Stat. 2109.)

AMENDMENTS

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

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.

**§ 4304. Disclosure requirements for certain accounts**

The Bureau shall require, in regulations which the Bureau shall prescribe, such modification in the disclosure requirements under this chapter relating to annual percentage yield as may be necessary to carry out the purposes of this chapter in the case of—

(1) accounts with respect to which determination of annual percentage yield is based on an annual rate of interest that is guaranteed for a period of less than 1 year;

(2) variable rate accounts;

(3) accounts which, pursuant to law, do not guarantee payment of a stated rate;

(4) multiple rate accounts; and

(5) accounts with respect to which determination of annual percentage yield is based on an annual rate of interest that is guaranteed for a stated term.

(Pub. L. 102-242, title II, §265, Dec. 19, 1991, 105 Stat. 2336; Pub. L. 102-550, title XVI, §1604(e)(2)(A), Oct. 28, 1992, 106 Stat. 4084; Pub. L. 111-203, title X, §1100B(1), July 21, 2010, 124 Stat. 2109.)

AMENDMENTS

2010—Pub. L. 111-203 substituted “Bureau” for “Board” in two places in introductory provisions.

1992—Pub. L. 102-550 made technical amendment to references to “this chapter” wherever appearing to reflect correction of corresponding provision of original act.

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 1992 AMENDMENT

Amendment by Pub. L. 102-550 effective as if included in the Federal Deposit Insurance Corporation Improve-

ment Act of 1991, Pub. L. 102-242, as of Dec. 19, 1991, see section 1609(a) of Pub. L. 102-550, set out as a note under section 191 of this title.

### § 4305. Distribution of schedules

#### (a) In general

A schedule required under section 4303 of this title for an appropriate account shall be—

- (1) made available to any person upon request;
- (2) provided to any potential customer before an account is opened or a service is rendered; and
- (3) provided to the depositor, in the case of any time deposit which has a maturity of more than 30 days<sup>1</sup> is renewable at maturity without notice from the depositor, at least 30 days before the date of maturity.

#### (b) Distribution in case of certain initial deposits

If—

- (1) a depositor is not physically present at an office of a depository institution at the time an initial deposit is accepted with respect to an account established by or for such person; and
- (2) the schedule required under section 4303(a) of this title has not been furnished previously to such depositor,

the depository institution shall mail the schedule to the depositor at the address shown on the records of the depository institution for such account no later than 10 days after the date of the initial deposit.

#### (c) Distribution of notice of certain changes

If—

- (1) any change is made in any term or condition which is required to be disclosed in the schedule required under section 4303(a) of this title with respect to any account; and
- (2) the change may reduce the yield or adversely affect any holder of the account,

all account holders who may be affected by such change shall be notified and provided with a description of the change by mail at least 30 days before the change takes effect.

#### (d) Distribution in case of accounts established by more than 1 individual or by a group

If an account is established by more than 1 individual or for a person other than an individual, any distribution described in this section with respect to such account meets the requirements of this section if the distribution is made to 1 of the individuals who established the account or 1 individual representative of the person on whose behalf such account was established.

#### (e) Notice to account holders as of effective date of regulations

For any account for which the depository institution delivers an account statement on a quarterly or more frequent basis, the depository institution shall include on or with the first regularly scheduled mailing sent after the end of the 6-month period beginning on the date of publication of regulations issued by the Bureau in

final form, a statement that the account holder has the right to request an account schedule containing the terms, charges, and interest rates of the account, and that the account holder may wish to request such an account schedule.

(Pub. L. 102-242, title II, §266, Dec. 19, 1991, 105 Stat. 2337; Pub. L. 102-550, title XVI, §1604(e)(1), Oct. 28, 1992, 106 Stat. 4084; Pub. L. 104-208, div. A, title II, §2604(d), Sept. 30, 1996, 110 Stat. 3009-471; Pub. L. 111-203, title X, §1100B(1), July 21, 2010, 124 Stat. 2109.)

#### AMENDMENTS

2010—Subsec. (e). Pub. L. 111-203 substituted “Bureau” for “Board”.

1996—Subsec. (a)(3). Pub. L. 104-208 inserted “has a maturity of more than 30 days” after “deposit which”.

1992—Subsec. (e). Pub. L. 102-550 substituted “on or with the first regularly scheduled mailing sent after the end of the 6-month period beginning on the date of publication” for “on or with any regularly scheduled mailing posted or delivered within 180 days after publication”.

#### 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 1992 AMENDMENT

Amendment by Pub. L. 102-550 effective as if included in the Federal Deposit Insurance Corporation Improvement Act of 1991, Pub. L. 102-242, as of Dec. 19, 1991, see section 1609(a) of Pub. L. 102-550, set out as a note under section 191 of this title.

### § 4306. Payment of interest

#### (a) Calculated on full amount of principal

Interest on an interest-bearing account at any depository institution shall be calculated by such institution on the full amount of principal in the account for each day of the stated calculation period at the rate or rates of interest disclosed pursuant to this chapter.

#### (b) No particular method of compounding interest required

Subsection (a) of this section shall not be construed as prohibiting or requiring the use of any particular method of compounding or crediting of interest.

#### (c) Date by which interest must accrue

Interest on accounts that are subject to this chapter shall begin to accrue not later than the business day specified for interest-bearing accounts in section 4005 of this title, subject to subsections (b) and (c) of such section.

(Pub. L. 102-242, title II, §267, Dec. 19, 1991, 105 Stat. 2338; Pub. L. 102-550, title XVI, §1604(e)(2)(B), (C), Oct. 28, 1992, 106 Stat. 4084.)

#### AMENDMENTS

1992—Subsecs. (a), (c). Pub. L. 102-550 made technical amendment to references to “this chapter” to reflect correction of corresponding provision of original act.

#### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-550 effective as if included in the Federal Deposit Insurance Corporation Improvement Act of 1991, Pub. L. 102-242, as of Dec. 19, 1991, see

<sup>1</sup> So in original. Probably should be followed by “and”.