

(4) The minimum amount of the initial deposit which is required to open the account in order to obtain the yield advertised, if such minimum amount is greater than the minimum balance necessary to earn the advertised yield.

(5) A statement that regular fees or other conditions could reduce the yield.

(6) A statement that an interest penalty is required for early withdrawal.

**(b) Broadcast and electronic media and outdoor advertising exception**

The Bureau may, by regulation, exempt advertisements, announcements, or solicitations made by any broadcast or electronic medium or outdoor advertising display not on the premises of the depository institution from any disclosure requirements described in paragraph (4) or (5) of subsection (a) if the Bureau finds that any such disclosure would be unnecessarily burdensome.

**(c) Disclosure required for on-premises displays**

The disclosure requirements contained in this section shall not apply to any sign (including a rate board) disclosing a rate or rates of interest which is displayed on the premises of the depository institution if such sign contains—

(1) the accompanying annual percentage yield; and

(2) a statement that the consumer should request further information from an employee of the depository institution concerning the fees and terms applicable to the advertised account.

**(d) Misleading descriptions of free or no-cost accounts prohibited**

No advertisement, announcement, or solicitation made by any depository institution or deposit broker may refer to or describe an account as a free or no-cost account (or words of similar meaning) if—

(1) in order to avoid fees or service charges for any period—

(A) a minimum balance must be maintained in the account during such period; or

(B) the number of transactions during such period may not exceed a maximum number; or

(2) any regular service or transaction fee is imposed.

**(e) Misleading or inaccurate advertisements, etc., prohibited**

No depository institution or deposit broker shall make any advertisement, announcement, or solicitation relating to a deposit account that is inaccurate or misleading or that misrepresents its deposit contracts.

(Pub. L. 102-242, title II, §263, Dec. 19, 1991, 105 Stat. 2334; Pub. L. 102-550, title IX, §957(a), Oct. 28, 1992, 106 Stat. 3896; Pub. L. 104-208, div. A, title II, §2604(b), Sept. 30, 1996, 110 Stat. 3009-471; Pub. L. 111-203, title X, §1100B(1), July 21, 2010, 124 Stat. 2109.)

**Editorial Notes**

**AMENDMENTS**

2010—Subsec. (b). Pub. L. 111-203 substituted “Bureau” for “Board” in two places.

1996—Subsec. (c). Pub. L. 104-208 redesignated par. (1) as entire subsec. (c) and subpars. (A) and (B) of former par. (1) as pars. (1) and (2), respectively, and struck out former par. (1) heading and heading and text of former par. (2). Text of former par. (2) read as follows: “For purposes of paragraph (1), a sign shall only be considered to be displayed on the premises of a depository institution if the sign is designed to be viewed only from the interior of the premises of the depository institution.”

1992—Subsec. (a). Pub. L. 102-550, §957(a)(1), substituted “subsections (b) and (c)” for “subsection (b)”.

Subsecs. (c) to (e). Pub. L. 102-550, §957(a)(2), (3), added subsec. (c) and redesignated former subsecs. (c) and (d) as (d) and (e), respectively.

**Statutory Notes and Related Subsidiaries**

**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.

**§ 4303. Account schedule**

**(a) In general**

Each depository institution shall maintain a schedule of fees, charges, interest rates, and terms and conditions applicable to each class of 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) 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) 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) 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) 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.)

#### Editorial Notes

##### AMENDMENTS

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

#### Statutory Notes and Related Subsidiaries

##### 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.)

#### Editorial Notes

##### 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.

#### Statutory Notes and Related Subsidiaries

##### 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.

#### § 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 ac-

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