



**FOR IMMEDIATE RELEASE:**

**At the Financial Services Roundtable:**

Elise Brooks, 202.589.2427, [elise@fsround.org](mailto:elise@fsround.org)

**At the Center for Responsible Lending:**

Kathleen Day, (202) 349-1871, [kathleen.day@responsiblelending.org](mailto:kathleen.day@responsiblelending.org);

## **New CARD Act Disclosures**

Washington, D.C.—March 5, 2010— The Credit Card Accountability Responsibility and Disclosure (CARD) Act of 2009, which took effect February 22, 2010, requires new disclosures on monthly credit card statements. The Financial Services Roundtable and the Center for Responsible Lending have teamed up to explain a few of these new disclosures, which are intended to make the cost of credit clearer to American consumers.

**The Disclosures WILL:**

- Show you how long it will take to pay off your entire balance if you pay only the minimum payment each month and make no additional purchases or advances.
- Show—if it will take more than three years to pay off a balance at the minimum payment set by the card issuer—how much you would have to pay each month to pay off the entire balance in 3 years. Unlike a minimum payment, which goes down as the balance declines, a faster, 3-year payoff calculation is based on your making the same payment each month for 36 months.
- Show the total cost, including principal and interest, if you make only minimum payments to pay off the balance.
- Show the total cost, including principal and interest, if you make the payments to pay off the balance faster, in three years.
- Show how much more in interest you will pay by making the minimum payments rather than the larger payments to pay off the balance in three years.

### **The disclosures will NOT:**

- Change or extend your monthly due date, which will now be the same date each month.
- Take into account future transactions. If you make new purchases, take out new advances or incur new fees, then the minimum payment, the amount of interest and principal and the length of time to pay off a balance will increase.
- Answer all questions regarding new disclosures. Customers should contact their financial institution directly.

### **...Calculators:**

Statements will now provide information under two scenarios—if you make minimum monthly payments or if you make larger monthly payments to pay off a balance in 3 years. Below are two credit card calculators you can use to evaluate other scenarios:

<http://www.bankrate.com/calculators/managing-debt/minimum-payment-calculator.aspx>  
<http://www.federalreserve.gov/creditcardcalculator/>

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### **About the Financial Services Roundtable**

The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO.

### **About the Center for Responsible Lending**

[The Center for Responsible Lending](http://www.responsiblelending.org) is a nonprofit, nonpartisan research and policy organization dedicated to protecting homeownership and family wealth by working to eliminate abusive financial practices. CRL is affiliated with [Self-Help](#), one of the nation's largest community development financial institutions or more information please visit our website: [www.responsiblelending.org](http://www.responsiblelending.org)

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