



# RESCINDED

OCC 2009-25  
OCC BULLETIN

Comptroller of the Currency  
Administrator of National Banks

OCC 2009-25 has been replaced by OCC 2010-44

**Credit CARD Act of 2009 —**  
Subject: **Interest Rate Increases /** Description: **Guidance**  
**Consumer Protections**

Date: July 30, 2009

**TO:** Chief Executive Officers of National Banks, All Department and Division Heads,  
and All Examining Personnel

On May 22, 2009, the Credit Card Accountability Responsibility and Disclosure Act of 2009 (Credit CARD Act) was signed into law. This law amends the Truth in Lending Act, 15 USC 1601 *et seq.*, to impose certain requirements on credit card issuers that raise cardholders' annual percentage rates (APRs) based on factors including the credit risk of the cardholder, market conditions, and other factors.

Effective August 22, 2010, Section 148 of the Credit CARD Act<sup>1</sup> requires that if a creditor increases the APR based on such factors:

- The creditor must maintain reasonable methodologies for assessing those factors.
- The creditor must, at least every six months, review accounts on which the APR has increased to assess whether such factors have changed, including whether any risk has declined.
- The creditor must do so for all accounts on which the APR has been increased **since January 1, 2009**.
- The creditor must reduce the APR previously increased when a reduction is indicated by the review, although the Credit CARD Act does not "require a reduction in any specific amount."
- In the event of an APR increase, the creditor must provide the cardholder with written notice of the reasons for the increase.

As noted above, Section 148 does not become effective until August 22, 2010.

However, because its requirements will apply to APR increases made on or **after January 1, 2009, the OCC reminds national banks that, effective August 22, 2010, they must conduct the periodic reviews required by the Credit CARD Act on any accounts on which the APRs were increased as described above on or after January 1, 2009**. Accordingly, national banks must maintain and have available such information concerning APR increases for such accounts as needed to enable them to conduct the required reviews.

Please direct questions about this matter to your supervisory office, to the Compliance

Policy Division at (202) 874-4428, or to the Community and Consumer Law Division at (202) 874-5750.

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/signed/

Timothy W. Long  
Senior Deputy Comptroller for Bank Supervision Policy  
and Chief National Bank Examiner

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<sup>1</sup> This section of the Credit CARD Act also calls for a rulemaking by the Board of Governors of the Federal Reserve System not later than February 2010 to implement this section's requirements.

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