

537.3212 Notice of methods of financing and rates.

1. With respect to a consumer who has an open end credit account with a creditor, and with respect to a creditor which offers to some or all of its customers consumer credit sales of goods or services both pursuant to open end credit and not pursuant to open end credit, that creditor shall give written notice to that consumer of those alternative methods at the times provided in subsection 3. The notice shall be as provided in subsection 2.

2. The notice required by this section shall conspicuously state the highest finance charge charged by that creditor to any consumer within the last calendar year for each type of credit sale. Such finance charge shall be stated as an annual percentage rate in such form as is required pursuant to section 537.3201 for each type of credit sale described in subsection 1, and the terms of repayment for each type of credit sale.

3. This section is complied with if notice is given at the following times:

a. With respect to an existing open end credit account holder, in a writing contained as a part of, or mailed with a periodic statement mailed to the account holders and no less than once every six months.

b. With respect to a consumer not holding an existing open end credit account, if the written notice is presented to the person at the time of the consumer credit transaction, and thereafter as provided in paragraph “*a*”.

[C75, 77, 79, 81, §537.3212]

Referred to in §535.11

[P] This section not applicable under §535.11(6)