

CARE/FinLit Track

Everything You Ever Wanted to Know About Credit Cards (but Were Afraid to Ask)

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Everything You Ever Wanted to Know About
Credit Cards (but Were Afraid to Ask)





A word cloud of financial regulations and laws, including: CARDact, FACTA, HIPPA, RISA, HOEPA, RegX, Dodd-Frank, FTC, CFPB, TILA, FCRA, RegZ, RESPA, FDCPA, FairCreditBilling, RegM, and ECOA.



FEDERAL RESERVE statistical release



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Consumer Credit
June 2014

For release at **3 p.m.** (Eastern Time)
August 7, 2014

Consumer credit increased at a seasonally adjusted annual rate of 7-3/4 percent during the second quarter. Revolving credit increased at an annual rate of 5-1/2 percent, while nonrevolving credit increased at an annual rate of 8-3/4 percent. In June, consumer credit increased at an annual rate of 6-1/2 percent.


Consumer Credit Outstanding¹
Seasonally adjusted. Billions of dollars except as noted.

	2009	2010	2011	2012	2013	2013			2014				
						Q2	Q3	Q4	Q1 ^r	Q2 ^p	Apr ^r	May ^r	Jun ^p
Total percent change (annual rate) ²	-3.9	-1.0	4.1	6.2	6.0	5.5	6.3	5.4	6.7	7.8	9.5	7.4	6.5
Revolving	-8.8	-7.6	0.2	0.6	1.3	1.0	0.9	2.0	1.8	5.4	12.3	2.4	1.3
Nonrevolving ³	-1.0	2.7	5.9	8.6	7.9	7.3	8.5	6.7	8.5	8.8	8.4	9.3	8.4
Total flow (annual rate) ^{2,4}	-103.6	-25.3	108.5	169.7	174.3	162.9	190.6	164.8	206.1	247.0	298.3	235.7	207.1
Revolving	-88.0	-69.7	1.8	4.9	10.9	8.1	7.5	17.2	15.7	46.1	106.1	20.9	11.3
Nonrevolving ³	-15.7	44.4	106.8	164.7	163.4	154.8	183.1	147.6	190.5	200.9	192.2	214.8	195.8
Total outstanding	2,552.8	2,647.4	2,755.9	2,923.6	3,097.9	3,009.1	3,056.7	3,097.9	3,149.5	3,211.2	3,174.3	3,194.0	3,211.2
Revolving	916.8	840.0	841.7	846.7	857.6	851.5	853.3	857.6	861.5	873.1	870.4	872.1	873.1
Nonrevolving ³	1,636.1	1,807.4	1,914.2	2,076.9	2,240.3	2,157.6	2,203.4	2,240.3	2,287.9	2,338.1	2,303.9	2,321.8	2,338.1




Interest Rates and Interest Charges

Annual Percentage Rate (APR) for Purchases 1	8.99%, 10.99%, or 12.99% introductory APR for one year, based on your creditworthiness. After that, your APR will be 14.99% . This APR will vary with the market based on the Prime Rate.
APR for Balance Transfers 2	15.99% This APR will vary with the market based on the Prime Rate
APR for Cash Advances 3	21.99% This APR will vary with the market based on the Prime Rate.
Penalty APR and When it Applies 4	28.99% This APR may be applied to your account if you: <ol style="list-style-type: none"> 1) Make a late payment; 2) Go over your credit limit; 3) Make a payment that is returned; or 4) Do any of the above on another account that you have with us. <p>How Long Will the Penalty APR Apply?: If your APRs are increased for any of these reasons, the Penalty APR will apply until you make six consecutive minimum payments when due.</p>
How to Avoid Paying Interest on Purchases 5	Your due date is at least 25 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.




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XXX Bank Credit Card Account Statement
Account Number XXXX XXXX XXXX XXXX
February 21, 2012 to March 22, 2012

Summary of Account Activity

Previous Balance	\$535.07
Payments	-\$450.00
Other Credits	\$0.00
Purchases	+\$517.12
Balance Transfers	+\$785.00
Cash Advances	+\$318.00
Past Due Amount	+\$0.00
Fees Charged	+\$69.00
Interest Charged	+\$11.36
New Balance	\$1,786.00
Credit limit	\$2,000.00
Available credit	\$214.00
Statement closing date	3/22/2012
Days in billing cycle	30

QUESTIONS?
Call Customer Service 1-XXX-XXX-XXXX
Lost or Stolen Credit Card 1-XXX-XXX-XXXX

Payment Information

New Balance	\$1,786.00
Minimum Payment Due	\$53.00
Payment Due Date	4/20/12

Late Payment Warning: If we do not receive your minimum payment by the date listed above, you may have to pay a \$35 late fee and your APRs may be increased up to the Penalty APR of 28.99%.

Minimum Payment Warning: If you make only the minimum payment each period, you will pay more in interest and take you longer to pay off your balance. For example:

If you make no additional charges using this card and each month you pay...	You will pay off the balance shown on this statement in about...	And you will end up paying an estimated total of...
Only the minimum payment	8 years	\$2,785
\$62	3 years	\$2,232 (Savings=\$553)

If you would like information about credit counseling services, call 1-800-XXX-XXXX.



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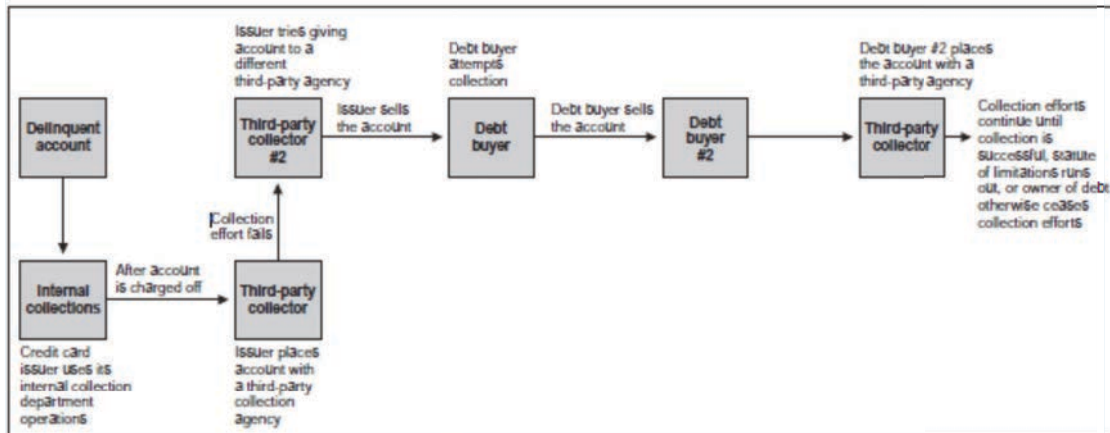
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Life of an Overdue Credit Card Account

U.S. GAO, Credit Cards: Fair Debt Collection Practices Act Could Better Reflect the Evolving Debt Collection Marketplace and Use of Technology (2009)

Figure 2: Illustrative Example of the Lifecycle of a Sample Delinquent Credit Card Account



Source: GAO.



When is information deleted?



Open accounts in good standing	Indefinitely
Closed accounts in good standing	10 years
Late or missed payments	7 years
Collection accounts	7 years
Civil judgments	7 years
Chapter 7 bankruptcy	10 years
Chapter 13 bankruptcy	7 years
Unpaid tax liens	10 years
Paid tax liens	7 years
Credit inquiries	2 years



Prepared for: **JOHN Q CONSUMER**
 Date: **December 20, 2010**
 Report number: **1562-3035-64**

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Your accounts that may be considered negative (continued)

Account Information	Date opened	Type	Credit limit or original amount	Recent balance	Responsibility
FINGERHUT CREDIT ADVANTA 16 MCLELAND RD SAINT CLOUD MN 56303 No phone number available Partial account number 8050051369566... Address identification number 0000538907	Oct 2002	Revolving	\$518	\$0 as of Oct 2004	Individual Status Discharged through Bankruptcy Chapter 13. This account is scheduled to continue on record until Sep 2011.
WFNNBICLARK 4590 E BROAD ST COLUMBUS OH 43213 No phone number available Partial account number 707654030021... Address identification number 0009375966	Apr 2002	Revolving	\$210	\$0 as of Sep 2008	Joint Status Open. As of Nov 2013, this account is scheduled to go to a positive status. This item was verified on May 2010 and remained unchanged.

Payment history: 3004 OCT SEP AUG JUL JUN APR MAR FEB JAN [status icons]

Payment history: 2005 SEP AUG JUL JUN MAY APR MAR FEB JAN DEC NOV OCT SEP AUG JUL JUN MAY APR [status icons]

Payment history: 2007 SEP AUG JUL JUN MAY APR MAR FEB JAN DEC NOV OCT SEP AUG JUL JUN MAY APR [status icons]


Payment history: 2006 SEP AUG JUL JUN MAY APR MAR FEB JAN DEC NOV OCT SEP AUG JUL JUN MAY APR [status icons]

Payment history: 2008 SEP AUG JUL JUN MAY APR MAR FEB JAN DEC NOV OCT SEP AUG JUL JUN MAY APR [status icons]

Payment history: 2004 MAR FEB JAN DEC NOV OCT SEP AUG JUL JUN MAY APR MAR FEB JAN DEC NOV OCT SEP AUG JUL [status icons]

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Prepared for: **JOHN Q CONSUMER**
Date: **December 20, 2010**
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Your accounts in good standing

These items may stay on your credit report for as long as they are open. Once an account is closed or paid off it may continue to appear on your report for up to ten years.

Credit items

Account Information	Date opened	Type	Credit limit or original amount	Recent balance	Responsibility										
DOUBLE ELEVAN CREDIT UNI 445 S POST RD INDIANAPOLIS IN 46219 No phone number available Partial account number 9362... Address identification number 0000375986	Aug 2006 First reported Aug 2006 Date of status Nov 2008	Installment Terms 120 Months Monthly payment \$148	\$11,000 High balance Not reported	\$9,650 as of Nov 2008	Individual Status Open/Never late. This item was verified and updated on Jul 2010.										
Payment history 2008 NOV OCT SEP AUG JUL JUN MAY APR MAR FEB JAN DEC NOV OCT SEP AUG JUL JUN MAY APR MAR FEB JAN DEC NOV OCT SEP AUG [Icons representing payment status for each month]															
Account history - If your creditor reported your account balances to us, we list them in this section as additional information about your account. Your balance history may also include your credit limit and high balance or the original loan amount for an installment loan. This section also includes the scheduled payment amounts, amounts actually paid and the dates those payments were made. ND: No Data. AB = Account balance (\$) DPR = Date payment received SPA = Scheduled payment amount (\$) AAP = Actual amount paid (\$)															
<table border="1"> <thead> <tr> <th>Oct08</th> <th>Sept08</th> </tr> </thead> <tbody> <tr> <td>AB 9,723</td> <td>9,793</td> </tr> <tr> <td>DPR -</td> <td>-</td> </tr> <tr> <td>SPA 0</td> <td>0</td> </tr> <tr> <td>AAP 0</td> <td>0</td> </tr> </tbody> </table>						Oct08	Sept08	AB 9,723	9,793	DPR -	-	SPA 0	0	AAP 0	0
Oct08	Sept08														
AB 9,723	9,793														
DPR -	-														
SPA 0	0														
AAP 0	0														
* The original amount of this account was \$11,000															
FASHION BUG/SOANSB 1103 ALLEN DR MILFORD OH 45150 Phone number (706) 644-2194 Partial account number 600466008420... Address identification number 0000538907	Aug 1997 First reported Aug 1997 Date of status Jan 2005	Revolving Terms Not reported Monthly payment Not reported	\$300 High balance Not reported	\$0 /paid as of Jan 2005	Individual Status Inactive/Never late. This account is scheduled to continue on record until Jan 2015.										

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