



1 amended pursuant to this Section so provide, any amendment  
2 may, on and after the date upon which it becomes effective as  
3 to a particular borrower, apply to all then outstanding  
4 unpaid indebtedness in the borrower's account under the plan,  
5 including any such indebtedness which shall have arisen out  
6 of purchases made or loans obtained prior to the effective  
7 date of the amendment.

8 (c) If such amendment has the effect of increasing the  
9 interest or other charges to be paid by the borrower, the  
10 financial institution shall mail or deliver to the borrower,  
11 at least 30 days before the effective date of the amendment,  
12 a clear and conspicuous written notice which shall:

13 (1) describe the amendment and the existing term or  
14 terms of the agreement affected by the amendment,

15 (2) set forth the effective date of the amendment,

16 (3) state whether or not the amendment will apply  
17 to the outstanding unpaid indebtedness as of the  
18 effective date of the amendment,

19 (4) state that absent the borrower's written notice  
20 to the financial institution within 30 days of the  
21 earlier of the mailing or delivery of the notice of  
22 amendment that the borrower does not agree to accept the  
23 amendment, the amendment will become effective and apply  
24 to the borrower's account, and

25 (5) provide an address to which the borrower may  
26 send notice of the borrower's election not to accept the  
27 amendment and include an addressed postcard that the  
28 borrower may return to the financial institution for that  
29 purpose.

30 (c-5) If such amendment results in an unfavorable change  
31 in the interest or other charges on a revolving credit plan  
32 which: (i) relates to a change in the borrower's credit  
33 standing, (ii) does not affect all or a substantial portion  
34 of a class of the creditor's accounts, and (iii) does not

1 relate to inactivity, default, or delinquency on that  
2 revolving credit plan, the financial institution shall  
3 include in the notice required by subsection (c) of this  
4 Section 8 a statement that is substantially similar to the  
5 following:

6 Change in Credit Standing

7 The amendment to the terms of your account relates  
8 to a change in your credit standing. The change in your  
9 credit standing may have resulted from a default or  
10 delinquency on other accounts you may have, or other  
11 adverse changes in your financial circumstances. If you  
12 submit the enclosed postcard or otherwise notify us in a  
13 timely manner as provided in this notice that you do not  
14 accept the amendment, you will be able to pay off your  
15 existing balance at the rate in effect prior to the  
16 amendment. However, in that instance, you may not be  
17 eligible to obtain additional credit under this plan  
18 after the effective date of the amendment. If you do not  
19 provide timely notice to us as provided in this notice  
20 that you do not accept the amendment, the amendment to  
21 the terms of your account will become effective and apply  
22 to your account.

23 (c-10) As a condition to the effectiveness of the  
24 borrower's notice not to accept the amendment, the financial  
25 institution may require the borrower to return all credit  
26 devices.

27 Any borrower who gives a timely notice electing not to  
28 accept the amendment shall be permitted to pay the  
29 outstanding unpaid indebtedness in the borrower's account  
30 under the plan in accordance with the terms of the agreement  
31 governing the plan without giving effect to the amendment.

32 Notwithstanding the financial institution's receipt of  
33 the borrower's notice under item (4) that the borrower does  
34 not accept the amendment, the amendment shall be deemed to

1 have been accepted and effective with respect to the borrower  
 2 and the borrower's account if the borrower uses the credit  
 3 device to obtain credit under the credit plan on or after the  
 4 effective date of the amendment, and the amendment shall be  
 5 deemed effective as of the effective date originally  
 6 disclosed by the financial institution.

7 (d) For purposes of this Section, the following shall  
 8 not be deemed an amendment which has the effect of increasing  
 9 the interest to be paid by the borrower:

10 (1) a decrease in the required amount of periodic  
 11 installment payments; and

12 (2) a change from a daily periodic rate to a  
 13 periodic rate other than daily, or from a periodic rate  
 14 other than daily to a daily periodic rate, provided that  
 15 there is no resulting change in the annual percentage  
 16 rate as determined in accordance with the  
 17 Truth-in-Lending Act and regulations promulgated  
 18 thereunder, as in effect from time to time.

19 (Source: P.A. 88-531.)

20 Section 10. The Tax Refund Anticipation Loan Disclosure  
 21 Act is amended by changing Section 10 as follows:

22 (815 ILCS 177/10)

23 Sec. 10. Disclosure requirements. At the time a  
 24 borrower applies for a refund anticipation loan, a  
 25 facilitator shall disclose to the borrower on a document that  
 26 is separate from the loan application:

27 (1) the refund anticipation loan fee schedule;

28 (1.5) the Annual Percentage Rate utilizing a 10-day  
 29 time period;

30 (2) the estimated fee for preparing and  
 31 electronically filing a tax return;

32 (2.5) the total cost to the borrower for utilizing

1       a refund anticipation loan;

2               (3) the estimated date that the loan proceeds will  
3 be paid to the borrower if the loan is approved;

4               (4) that the borrower is responsible for repayment  
5 of the loan and related fees in the event the tax refund  
6 is not paid or not paid in full; and

7               (5) the availability of electronic filing for the  
8 income tax return of the borrower and the average time  
9 announced by the federal Internal Revenue Service within  
10 which the borrower can expect to receive a refund if the  
11 borrower's return is filed electronically and the  
12 borrower does not obtain a refund anticipation loan.

13       (Source: P.A. 92-664, eff. 1-1-03.)

14       Section 99. Effective date. This Act takes effect on  
15 January 1, 2004."