

FEDERAL RESERVE BANK OF DALLAS
DALLAS, TEXAS 75222

Circular No. 70-255
October 28, 1970

AMENDMENT TO REGULATION Z

**To All Banks, Other Creditors, and Others Concerned
in the Eleventh Federal Reserve District:**

The Board of Governors of the Federal Reserve System issued, effective October 23, 1970, an amendment to Regulation Z that will permit creditors to reduce the periodic rate or rates applicable to open end credit accounts without the necessity of advance notice to customers. A copy of the amendment is printed on the reverse.

Current material for Regulation Z consists of the Regulation Z pamphlet, effective July 1, 1969, including amendments and interpretations through September 11, 1969, a separate pamphlet including amendments and interpretations through July 31, 1970, and the current amendment dated October 23, 1970. We will be pleased to supply any items necessary to bring your copy of the regulation up to date.

Yours very truly,

P. E. Coldwell

President

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

TRUTH IN LENDING

AMENDMENT TO REGULATION Z

Effective October 23, 1970, paragraph (e) of section 226.7 is amended to read as follows:

**SECTION 226.7—OPEN END CREDIT
ACCOUNTS—SPECIFIC DISCLOSURES**

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(e) **Change in terms.** If any change is to be made in terms of an open end credit account plan previously disclosed to the customer, the creditor

shall mail or deliver to the customer written disclosure of such proposed change not less than 30 days prior to the effective date of such change or 30 days prior to the beginning of the billing cycle within which such change will become effective, whichever is the earlier date. No notice is necessary if the only change is a reduction in the periodic rate or rates applicable to the account.

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