

CHAPTER 3

Bank Disclosures

SECTIONS

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§ 301. Savings disclosure.

Each commercial bank shall, upon opening a savings account of whatever nature or issuing a certificate of deposit, inform the customer in simple and clear written language about the manner in which interest is calculated, the periods for which and circumstances under which interest is and is not payable, the rate of interest, and penalties and forfeitures, if any.

Source: COM PL 7-105 § 1; TT Code 1980, 29 TTC 101.

Cross-reference: The statutory provisions on Commercial Banking are found in title 29 of this code. The statutory provisions on Commercial Law are found in title 33 of this code.

§ 302. Checking-account disclosure.

Each commercial bank shall, upon opening a checking account, inform the customer in simple and clear language about all fees which may be charged.

Source: COM PL 7-105 § 2; TT Code 1980, 29 TTC 102.

Cross-reference: The statutory provisions on Commercial Banking are found in title 29 of this code. The statutory provisions on Commercial Law are found in title 33 of this code.

§ 303. Loan disclosure.

Each commercial bank shall, prior to entering into a loan agreement, inform the customer in simple and clear written language about the rate of interest and the dollar amount of interest which will be payable if the loan is repaid according to the contractual terms, and the manner in which interest is calculated. If the rate of interest is based upon the prime interest rate, only the method of interest computation need be disclosed.

Source: COM PL 7-105 § 3; TT Code 1980, 29 TTC 103, modified.

Cross-reference: The statutory provisions on Commercial Banking are found in title 29 of this code. The statutory provisions on Commercial Law are found in title 33 of this code.

Editor's note: Minor changes in phraseology were made in the 1982 edition of this code.

§ 304. Shipping document fees disclosure.

Each commercial bank, upon receipt of shipping documents relating to the release of cargo, shall notify the cargo purchaser in simple and clear written language about all fees and interests it may charge for holding or processing the documents.

Source: COM PL 7-105 § 4; TT Code 1980, 29 TTC 104.

§ 305. Form and copies of disclosure statements.

Each written statement required by this chapter shall be written and provided to the customer both in English and the primary vernacular language of the district in which the bank is located. A bank shall furnish a copy of any such statement to any person upon request.

Source: COM PL 7-105 § 5; TT Code 1980, 29 TTC 105.

Cross-reference: The statutory provisions on Commercial Banking are found in title 29 of this code. The statutory provisions on Commercial Law are found in title 33 of this code.

§ 306. Civil penalty; Punitive damages; Right to bring action; Attorney's fees and costs.

(1) A bank which violates any provision of this chapter shall be subject to a civil penalty of \$250 for each willful violation and \$150 for each unwillful violation. The Court may, in its discretion, award punitive damages for each willful violation and may provide such equitable relief as it deems necessary or proper.

(2) The Attorney General, or any person whose rights as established by this chapter have been violated, is entitled to bring an action. A person entitled to bring an action may do so on behalf of himself and other persons similarly situated.

(3) In any action the court may award, in addition to the relief provided for herein, reasonable attorney's fees and costs.

Source: COM PL 7-105 § 6; TT Code 1980, 29 TTC 106.

Cross-reference: The statutory provisions on the President and the Executive are found in title 2 of this code. The statutory provisions on the FSM Supreme Court are found in title 4 of this code. The statutory provisions on Judicial Procedure are found in title 6 of this code.

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