

~~guarantor, or joint accountholder who assumed liability at account opening agrees in writing to assume liability on the increase.~~

§ 226.52 Limitations on fees.

(a) Limitations during first year after account opening. (1) General rule. Except as provided in paragraph (a)(2) of this section, if a card issuer charges any fees to a credit card account under an open-end (not home-secured) consumer credit plan during the first year after the account is opened, the total amount of fees the consumer is required to pay with respect to the account during that year must not exceed 25 percent of the credit limit in effect when the account is opened.

(2) Fees not subject to limitations. Paragraph (a) of this section does not apply to:

- (i) Late payment fees, over-the-limit fees, and returned-payment fees; or
- (ii) Fees that the consumer is not required to pay with respect to the account.

(3) Rule of construction. Paragraph (a) of this section does not authorize the imposition or payment of fees or charges otherwise prohibited by law.

~~§ 226.53 Allocation of payments.~~

~~(a) General rule. Except as provided in paragraph (b) of this section, when a consumer makes a payment in excess of the required minimum periodic payment for a credit card account under an open-end (not home-secured) consumer credit plan, the card issuer must allocate the excess amount first to the balance with the highest annual percentage rate and any remaining portion to the other balances in descending order based on the applicable annual percentage rate.~~