



BillingTree
2800 North 44th Street
Suite 1100
Phoenix, AZ 85008
Phone: 602.443.5900
info@mybillingtree.com

Press Release

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Contact:

Dave Yohe
Marketing Manager
BillingTree
Tel : 602.443.5948
dave@mybillingtree.com

BillingTree Anticipates Increased Electronic-Payment Adoption with the New Credit Protection Act

Consumer assurances help to boost paperless payments for recurring service invoices, including Utilities, Healthcare, and Subscriptions

Phoenix, Ariz.—February 25, 2010—Following the February 22nd “Credit Card Accountability, Responsibility and Disclosure Act” (the [Credit CARD Act](#)), [BillingTree Inc.](#), one of the nation’s leading on-demand payment processors anticipates a sharp increase in electronic-payment adoption as a result of increased card-holder confidence and interest-rate cap perceptions. Companies offering electronic credit card payments via the web and telephone stand to improve their collections substantially as a result of consumer awareness to the new regulations.

According to a recent survey conducted by CFA/CUNA in January, six-in-ten consumers were aware of the new protections offered by the Credit CARD Act. Furthermore, consumer misinformation surrounding the reforms includes the following: 42% believing the new rules completely prohibit interest rate hikes, 36% assume late fees will be limited to \$35, and 31% believe interest rates are capped at 20%.

Among the new rules in effect on February 22, 2010 are as follows:

- Consumers must be given a 45 days' notice of any changes in the interest rates of future balances or in other key terms of a credit card account.
- Hikes in the interest rates of existing balances are generally prohibited.
- Consumers have the right to "opt out" of significant changes that might be imposed on their accounts.
- Customers who maintain monthly balances must be told the length of time it will take to pay off that balance if they make only the minimum monthly payments.

- Bills must be mailed at least 21 days before the payment is due.

“Until now, consumers have been subject to policies established primarily by the credit card industry,” said [Scott McCollum](#), BillingTree’s president. “In clearly knowing what interest rate to expect, utilizing the new opt-out features, and having a minimum 21-day payment due-date notification, consumers can confidently shift more payments to credit, benefiting our customers and partners, who recognize the value of accepting payments electronically.”

BillingTree supplies the leading fully integrated, multi-channel electronic payment platform to a growing list of Industries, including Collections, Utilities such as power, cable, municipal, and phone as well as Healthcare and Subscription-billed services. Benefits of electronic payment solutions include an accelerated availability of consumer funds, reduced costs associated with manual-payment processing, improved cash management, and integrated processing by managing all payments, returns, and corrections through a single portal.

For a full consumer overview of the way the new Credit CARD Act will impact the adoption of electronic payments, BillingTree will host a webinar on March 25 at 3:00 p.m. Eastern. [Register Here](#)

About BillingTree

The proven leader in on-demand payment processing, BillingTree empowers customers with competitive advantage through a simplification of the billing and receivables process. By delivering the most innovative technology while making it as easy and inexpensive as possible to accept payments, BillingTree has revolutionized the payments landscape. Our software-as-a-service (SaaS) model delivers industry-leading payment solutions, proven integration, and point-and-click simplicity. BillingTree’s focus on innovation has allowed us to help more than 1,200 customers eliminate manual processes and automate their payment cycles. BillingTree – Growth is our Business. For more information, visit www.mybillingtree.com or call 877.4.BILLTREE.

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