no other or a merely nominal consideration has the option of becoming, the owner of the goods upon full compliance with the provisions of the contract.

(d) (1) "Finance charge" means the sum of all the charges imposed directly or indirectly by a creditor, and payable directly or indirectly by an obligor, as an incident to the extension of credit, including loan fees, service and carrying charges, discounts, interest, time price differentials, investigators' fees, costs of any guarantee or insurance protecting the creditor against the obligor's default or other credit loss, and any amount payable under a point, discount, or other system of additional charges.

(2) If itemized and disclosed under section 4, the term does not include amounts collected by a creditor, or included in the credit, for (A) fees and charges prescribed by law which actually are or will be paid to public officials for determining the existence of or for perfecting or releasing or satisfying any security related to a credit transaction; (B) taxes; (C) charges or premiums for insurance against loss of or damage to property related to a credit transaction or against liability arising out of the ownership or use of such property; and (D) charges or premiums for credit life and accident and health insurance.

(3) Where credit is secured in whole or in part by an interest in real property, the term does not include, in addi-