Now, if you are talking about an advance to a certain person, usually I think this would be in the case of a sale with revolving credit where the debtor made certain payments and bought some more merchandise and that was added on, and you then had to figure the interest, I think that is the kind of situation that you are talking about and I am not prepared to answer it.

Mr. BINGHAM. Would you yield at that point?

Mrs. DWYER. Yes

Mr. BINGHAM. Perhaps this might clarify it a little bit.

Do you have typically in a credit union account payments during the month and also further extensions of credit during the month and then you have a billing period at the end of the month?

Mr. STONE. We don't send out bills but we do have extensions of credit and we have certain charges from the payment—if the payment which is due on a certain day is not made.

Usually many of our loans are made on a weekly as well as on a monthly basis. And usually we won't start charging any penalties unless the loan is 4, 5 or 6 weeks in arrears.

Mr. BINGHAM. I think what Mrs. Dywer is trying to get at, taking a typical account with a lot of transactions in and out over a period of time, what is the actual interest rate charged for the balances that have accrued day by day? That is what this gentleman produced for us the other day.

Mr. STONE. I can't do this because we wouldn't have this kind of transaction. We don't have in-and-out transactions. If I loaned a person $100 and he was supposed to pay this back $2 a week and if he didn't pay it back on a certain time we would give him an extension without making any charge. Then, if his loan got 5 weeks in arrears we would make a charge on the loan at that time. But there would be no in-and-out transactions.

I do not think the $2 situations are comparable. I can understand why they cannot put that in.

Mrs. DWYER. Just one more question.

Is there any substantial degree of competition among credit unions and rates charged and will there be any greater degree of competition among credit unions if you are required to annualize?

Mr. STONE. The answer to the first part of the question is a qualified yes. I think that—I am not sure I would say it was competition in the normal sense because of the common bond limitation.

For example, many credit unions charge three quarters of 1 percent a month instead of 1 percent. Some charge 1 percent a month and give you a refund at the end of the year. So that the net cost to the borrower is less. I think they do this because it depends upon the policy of their board of directors. This is my own feeling and not by reason of competition, but there is some degree of competition.

Mrs. Dwyer. Is that not three quarters percent on security loans?

Mr. STONE. Yes, on some automobile loans, that is true. I think in many automobile loans it might be three-quarters of 1 percent and some even less.

Mrs. DWYER. Then it is practically the same throughout the industry, is it not?