7. Substitute on page 9 for sec. 203(b)

"(6) The amount of the finance charge (such charge or charges shall be itemized, showing those charges which are an incident to credit extension and not required of cash paying consumers)."

Reasons:

(1) There is no need to introduce time-price differential terminology.

(2) Itemization of charges is informative for the consumer who wants to know.

(3) The criterion for finance charges is established.

8. Substitute for the second sentence beginning on line 3 of page 10:

"Compliance shall be attained (1) by disclosing the annual percentage rate to any prospective consumer or in any advertising of the finance charge or rate, and (2) by disclosing such other information as is required in the contract or other evidence of indebtedness to be signed by the obligator."

Reason:

(1) The consumer who shops for credit needs to know the rate; the consumer needs to know the cost and payment terms before signing a contract.

The motorist presents an analogous situation: When driving down the highway, price per gallon quotations are meaningful and adequate. However, once he has selected a station, the rate becomes secondary in importance to total cost and payment terms.

9. On page 10, line 25, add: "and an itemization of "the charges".

10. On page 11, line 9 substitute the following sentence:

"Compliance shall be attained (1) by disclosing the annual percentage rate to any prospective consumer or in any advertisements, and (2) by disclosing such other information as is required on the note or other evidence of indebtedness to be signed by the obligor."

11. On page 12, subsection (C) of Section 203(d)(2) delete all words following the words "finance charge" on line 7.

Reasons:

(1) "Installment open end credit" appears no where else in the bill; it should be deleted here.

(2) The words in parenthesis tend to give legal sanction to a practice that can be treated better by the regulatory authority. The use of minima and fixed charges could be so abusively used as to render the rate insignificant.

12. On page 13 subsection (D) of 203(d)(3), delete all words on lines 2 to 5 after the word "period".

Reason:

See number 11.

13. On page 13 substitute for (E) of 203(d)(3): "(E) the periodic percentage rate, and its equivalent annual percentage rate, applied to the balance to compute the finance charge for that period."

14. On page 14 add at the end of section 203(f) line 13: "The % symbol shall represent an annual percentage rate, unless another time period is explicity and clearly designated."

Reason:

This confirms the customary use and interpretation of the % sign.

15. On page 15, 203(j);(1), substitute for (A) and (D)

"(A) the cash sale price or total amount of credit extended,"

"(D) the time sale price, if a credit sale, and"

Reason:

(1) Since this is intended to apply to both loans and credit sales, the wording needs to be broadened.

16. On page 17, line 9, section 203(1)(2):

Delete: "18 per centum per annum"

Substitute

"0.15 per centum per day, or

"1.0 per centum per week, or

"4.5 per centum per month, or

"50.0 per centum per annum".