

use of any rules, charts, tables, or devices by creditors to convert to an annual percentage rate any add-on, discount, or other method of computing a finance charge;

(3) prescribing procedures to insure that the information required to be disclosed under section 3.102 and 3.104 is set forth clearly and conspicuously; and

(4) prescribing reasonable tolerances of accuracy with respect to disclosing information under section 3.104. In prescribing regulations with respect to reasonable tolerances of accuracy, the Council shall observe the following limitations:

(a) The annual percentage rate may be rounded to the nearest quarter of 1 per centum for retail installment transactions payable in substantially equal installments when a seller determines the total finance charge on the basis of a simple add-on discount, periodic, or other rate, and such rates are converted into an annual percentage rate under procedures prescribed by the Council.

(b) The use of rate tables or charts may be authorized in cases where the total finance charge is determined in a manner other than that specified in paragraph (2). Such tables or charts may provide for the disclosure of annual percentage rates which vary up to 3 per centum of the rate as defined by this section. However, any seller who willfully and knowingly uses such tables or charts in such manner so as to consistently understate the annual percentage rate, as defined by section 1.201(1) shall be liable for civil penalties under section 8.204 of this Act.

(c) In the case of sellers determining the annual percentage rate in a manner other than as described in paragraph (2) or (3), the Council may authorize other reasonable tolerances.

(d) In order to simplify compliance where irregular payments are involved, the Council may authorize tolerances greater than those specified in paragraph (b) and may establish such classifications and differentiations and may provide for such adjustments and exceptions from this Act or the regulations thereunder for any class of transactions, as in the judgment of the Council are necessary or proper to effectuate the purposes of this Act or to prevent circumvention or evasion of, or to facilitate compliance with, this Act or any regulation issued hereunder.

(D) relating to title 6 of this Act, including, but not limited to, regulations (1) respecting the form, execution, and delivery of notices required by sections 6.101 (B) and 6.102, and (2) respecting the manner and methods of the sale or disposition of repossessed goods under such conditions as the Council deems advisable.

SEC. 2.102. No regulations shall be adopted by the Council under the authority of this Act until after a public hearing has been held thereon.

SEC. 2.103. The Commissioner and the Council, with the exception of the function of making regulations to carry out the purposes of this Act, are authorized to delegate, with power to redelegate, any of the functions vested in them by this Act.

SEC. 2.104. The authority and power vested in the Commissioner and Council by any provision of this Act shall be deemed to be additional and supplementary to authority and power now vested in him or them, and not as a limitation.

TITLE III—PROVISIONS OF RETAIL INSTALLMENT CONTRACTS

SEC. 3.101. APPLICATION.—The provisions of this part shall apply to all retail installment contracts other than contracts for home improvement work, as defined in section 1.201(a), except that home improvement contracts shall be subject to section 3.107 and may be subject to any regulations promulgated under the authority of this Act and pertaining to this part.

SEC. 3.102. SINGLE DOCUMENTS; GENERAL PROVISIONS FOR FORM AND CONTENTS.—

(A) Subject to section 3.101, and except as otherwise provided in this Act, every retail installment contract shall be contained in a single document, signed by both the buyer and the seller, and, completed as to all essential provisions before it is signed by the buyer. Each such contract shall include the address of both the seller and the buyer, a description of the goods or services purchased, a description of