

methods of computation are explained under this sub-heading. One method of computing the borrower's refund is known as "the rule of 78"; this method is explained at ¶ 38 of the GUIDE.

Special Charges

Any charges permitted to be made in addition to interest are continued in the "special charges" feature of the chart under the following sub-headings: *Delinquency • Collection • Insurance Premiums • Investigation • Other*. Delinquency charges are permitted when a borrower fails to pay an instalment within the time provided for in the loan agreement. Collection charges encompass the legal costs incurred when the lender is forced to rely on means other than the borrower's promise to repay the loan in order to get his money back. Insurance premium charges occur when the borrower procures credit life, accident or health insurance or property insurance on security from or through the lender in connection with the loan. Investigation charges are the expenses which result from a credit investigation of the borrower or security appraisal. Other charges is a catch-all for miscellaneous authorized charges which usually include fees for filing and recording.

Disclosure

Provisions which require information to be given to the borrower are contained under the heading "disclosure."

Penalty for Excessive Interest

Focus of the feature "penalty for excessive interest" is on the effect of charging beyond the maximum rate of interest permitted by the instalment loan law. Where no special provision exists reference should be made to the "Interest—Usury" chart at ¶ 31.

Miscellaneous Provisions

This portion of the chart contains other provisions not under the above headings. It is sub-divided into four categories: *Insurance • Acceleration • Security • Other*. Special provisions which have applicability in only several of the states appear under this heading.

STATUTORY REFERENCE

The chart provides statutory reference to the instalment loan laws adopted in the state. The statutes cited do not appear elsewhere in the GUIDE.

ALABAMA

References are to Code 1958, Recompiled, Title 9, Sec. 61, as amended

Lenders.—Any lender.

Maximum Loan.—No special provisions.

Interest Charges.—6% per annum for the entire loan period; may be aggregated with principal at the date of loan.

Maximum Time.—No special provisions.

Payments and Refunds.—*Installments*: aggregate sum of principal and interest may be divided into monthly or other periodic payments. *Prepayment*: no special provisions.

Special Charges.—No special provisions.

Disclosure.—No special provisions.

Penalty For Excessive Interest.—No special provisions.

Miscellaneous Provisions.—No special provisions.

ALASKA

References are to Alaska Statutes, Sec. 45.45.080, as amended by Laws 1968, Ch. 74, approved April 6, 1968, effective July 5, 1968

Lenders.—Any money lenders.

Maximum Loan.—\$10,000, excluding interest on secured and unsecured loans.

Interest Charges.—\$6 per year on each \$100 ("add on method"—not over 11.1% per year; "discount method"—not over 11.8% per year) of face amount for the entire loan period; may be collected in advance.

Maximum Time.—7 years.