below; (d) where the loan is over 3 years and 1 month and the net proceeds equal a predetermined sum—formula 4 below. The formulas represent: "I" is the maximum initerest taken in advance; "A" is the full amount of the loan or the full amount of the predetermined net proceeds; "P" is the number of payment-periods from the date of the making to the date of the maturity; and "N" is the number of payment-periods in the calendar year (to the nearest whole number). The formulas are:

$$(1)\ I = \frac{.11784A\ (P+1)}{2N + .11784\ (P+1)} \qquad (3)\ I = \frac{.097166A\ (P+1)}{2N + .097166\ (P+1)}$$

$$(2)\ I = \frac{.11784A\ (P+1)}{2N} \qquad (4)\ I = \frac{.097166A\ (P+1)}{2N}$$

Schedules based upon the formulas may be obtained from the Banking Commissioner. (Sec. 17:19A–53)

Maximum Time.—"Class I" loans—3 years and 1 month; "Class II" loans—5 years and 1 month. (Sec. 17:9A–54)

Payments and Refunds.—*Instalments:* equal duration measured in terms of weeks or months with intervals generally not shorter than 1 week or longer than 1 month, except that the initial payment period may be longer but not exceeding 60 days; equal amounts, except that the final instalment may be not more than $1 more or less than the others; one instalment per payment period, except that the last 2 instalments may be payable in the same payment period; omission of instalments may be provided for during any period not exceeding 93 days in any one 12 month period, and if omission occurs during the initial payment period, then that payment period can not exceed 93 days. (Sec. 17:9A–54) *Prepayment:* allowed and a refund credit on the interest taken in advance can not be less than an amount determined by the following formula: $C = AN \div D$ in which "C" is the credit given; "A" is the amount of interest taken in advance; and "D" is the total of all the cardinal numbers ascribed to each remaining payment-period included in the loan (the cardinal number is descriptive of the number of payment-periods scheduled); and "N" is the difference between "D" and the total of all the cardinal numbers ascribed to the payment-periods which have elapsed. Minimum refund is $1. The commissioner may prepare and distribute a schedule based on the formula. (Sec. 17:9A–56)

Special Charges.—*Delinquency:* charge may be made at the legal rate of interest upon each instalment in arrears, for the period from the date of default to date when the instalment is paid, or to the date of acceleration, if such occurs; however, in lieu of interest, the note may provide for payment of a late charge on any instalment in arrears more than 15 days, of 5% of such instalment or $5, whichever is less; but, total late charges can not exceed $15 in any one 12 month period, only one such late charge can be made on any one instalment, and no late charge can be made upon any instalment scheduled to fall due upon a date subsequent to the date upon which the maturity of the unpaid balance of the loan is accelerated, if such occurs. *Collection:* fee in addition to court costs, equal to $7.50 when unpaid balance is $50 or less, $10 when unpaid balance is over $50 and under $100, $12.50 when unpaid balance is over $100 but not over $500, and $25 when unpaid balance is over $500. *Insurance Premiums:* on property insurance covering security. *Investigation:* no provision. *Other:* acceleration fee upon default of any instalment at the legal rate of interest from the date of acceleration upon the difference between the unpaid principal balance and the amount of refund credit pursuant to the prepaymet schedule; filing and recording fees. (Sec. 17:9A–55) No other charges may be made. (Sec. 17:9A–54)

Disclosure.—No special provisions.

Penalty for Excessive Interest.—No special provisions.

Miscellaneous Provisions.—*Insurance:* Either or both credit life insurance and credit accident and health insurance can be provided at the borrower's request pursuant to credit insurance provisions (see "Credit Insurance" Chart at ¶ 51), and, if borrower consents in writing, lender may deduct and retain from the loan proceeds the isurer's premium charge, and such charge is not deemed a further interest or other charge. (Sec. 17:9A–70.2, *as added by Laws* 1963, *Ch.* 103; *amended by Laws* 1968, *Ch.* 204, *approved and effective July* 19, 1968.) *Acceleration:* permitted at lender's option. (Sec. 17:9A–55) *Security:* lender can not, prior to default, take any security for any loan other than an interest in tangible personal property; except that in the case of a "Class II" loan, a mortgage upon the real property improved may be taken. (Sec. 17:9A–54) *Other:* no special provisions.