

LATE CHARGES

Open-end Credit

No limit on amount of late charge and no grace period.

Closed-end Credit

Late charge limited to \$10 or 5% of unpaid installment, whichever is less.

Ten day grace period.

Section 422.203, Wis. Stats., states:

A late charge can be assessed on any installment not paid in full on or before the 10th day after its scheduled due date in an amount not to exceed \$10 or 5% of the unpaid amount of the installment, whichever is less. No late charge may be assessed on an installment which is paid on or before the 10th day after its scheduled due date even though an earlier maturing installment may not have been paid in full. Payments are to be applied first to current installments and then to delinquent installments. A late charge may be collected only once on an installment however long it remains in default.

Below is a list of four loans. All of them originated on 1-1-01. On each of the loans a \$300 payment is due on 2-1-01, 3-1-01 and 4-1-01. What amount of late fees may be assessed on the first three installments?

	<u>Payments Made On</u>	<u>Payment Amount</u>
Loan One	2-2-01	300
	3-11-01	300
	4-15-01	300
Loan Two	2-8-01	300
	3-8-01	300
	4-8-01	200
Loan Three	3-11-01	300
	4-17-01	600
Loan Four	2-28-01	300
	3-15-01	300
	4-5-01	300

Answers

- 1) one late charge of \$10 is earned on the April payment.
- 2) a late charge of \$5 is earned on the April payment ($5\% \times \$100$)
- 3) a late charge of \$10 is earned for the February installment and another \$10 charge is earned for the April installment.
- 4) a late charge of \$10 is earned for both the Feb and March installments. The 2-28-01 payment can be applied to the Feb installment since the March installment is not yet due and therefore is not the current installment.

Kenneth

CONSUMER **KENNETH**
W. B. A. (TL) 454L (8/5/92) F01233
Wisconsin Bankers Association 1992

TERM: 12 MONTHS
CONSUMER SIMPLE INTEREST NO
AND CHATTEL SECURITY AGREEMENT
1. PAYMENT SCHEDULE AND TERMS

TAX ID #: 345-56-1651

I promise to pay to the order of _____

at _____ Wisconsin, the principal sum of \$ 1,027.30, plus interest at the rate of 12.000 % per year until the scheduled date of the final installment computed for the actual number of days principal is unpaid ☒ on the basis of a 360 day year ☐ on the basis of a 365 day year according to the Payment Schedule disclosed below. Amounts due on this Agreement bear interest after the scheduled date of the final installment at the default rate of 12.000 % per year computed on the same basis. I agree to pay the Late Charge disclosed below. I also agree to pay a charge of \$ 15.00, as permitted under §422.202(1)(d), Wis. Stats, for each check presented for payment under this Agreement which is returned unsatisfied. Payments will be applied (to the extent not prohibited by the Wisconsin Consumer Act) in such order as Lender elects to charges and amounts due under this Agreement. A minimum finance charge of \$5.00 (if the Amount Financed does not exceed \$75.00) or \$7.50 (if the Amount Financed exceeds \$75.00) is considered earned on the date of this Agreement. Amounts disclosed below are computed on the assumption that all installments will be paid when due.

2. ITEMIZATION OF AMOUNT FINANCED

(a) Amount paid directly to me or to me and another	(a) \$ <u>868.55</u>
(b) Amount credited on my loan account at Lender	(b) \$ <u>131.45</u>
(c) Amounts paid to others on my behalf which are being financed	
(1) To property insurance company	\$ <u>n/a</u>
(2) To credit life insurance company	\$ <u>3.62</u>
(3) To credit accident and sickness insurance company	\$ <u>23.68</u>
(4) To <u>n/a</u>	\$ <u>n/a</u>
(d) Prepaid Finance Charge	(d) \$ <u>n/a</u>
(e) Amount Financed (a + b + c minus d)	(e) \$ <u>1,027.30</u>
Total Amount Paid To Others (c) \$ <u>27.30</u>	

3. DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.	(*) means an estimate) (Boxes not checked are inapplicable)
12.154 %	\$ 68.88	\$ 1,027.30	\$ 1,096.18	

My Payment Schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due
11	\$ * 91.35	Monthly beginning 01/07/95
1	\$ * 91.33	Final payment due 12/07/95

Security. The Lender has or will acquire a security interest in: *To be deducted from Savings #1124371

- ☐ The property being purchased. ☒ Deposit accounts I may have with Lender. ☒ Collateral securing other loans with Lender may also secure this loan.
- ☒ CSA, MVD 1988 FORD LTD COUNTRY SQUIRE STATIONWAGON
- ☐ Required Deposit. The Annual Percentage Rate does not take into account my required deposit.
- ☐ Filing/Recording Fees. \$ n/a
- ☒ Late Charge. If a payment (other than the final payment) is not paid on or before the 10th day after its due date, I may be charged \$ 10.00 or 5.00 % of the unpaid amount, whichever is less.

Prepayment. If I pay off early, I will be charged a minimum finance charge. I should see my contract documents for any additional information about nonpayment, default and any required repayment in full before the scheduled date.

NOTICE TO CUSTOMER

- (a) DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON THE REVERSE SIDE, EVEN IF OTHERWISE ADVISED.
(b) DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES.
(c) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.
(d) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE FINANCE CHARGE.

Dated DECEMBER 7, 1994

Address, BARABOO, WI 53913
SEE SECTIONS 5(b) and (c)

County, SAUK

CLASS CODE: 42

NEW/RENEWED: 1R1

PURPOSE: RENEW 75923, MISC.

KENNETH CUSTOMER (SEA-)

KENNETH CUSTOMER (SEA-)

Type or print name signed above.

EJM:WLW

06/13/95 09:30

NOTE TRANSCRIPT STATEMENT

KENNETH
BARABOO

WI 53913

Note: 76474

Date	Description	Tran Amount	Principal Balance
12/07/94	ORIGINAL RATE Over: 12.0000 Under: .0000 Split:		
12/07/94	INSURANCE PREMIUM(S)	3.62*	3.62
12/07/94	INSURANCE PREMIUM(S)	23.68*	27.30
12/07/94	NEW NOTE	1,000.00*	1,027.30
01/17/95	AUTOMATIC LATE CHARGE	4.56#	1,027.30
01/27/95	REGULAR PAYMENT	100.00*	946.56
02/17/95	AUTOMATIC LATE CHARGE	4.36#	946.56
03/10/95	REGULAR PAYMENT	110.00*	855.98
04/17/95	AUTOMATIC LATE CHARGE	4.56#	855.98
05/01/95	REGULAR PAYMENT	91.96*	784.36
05/17/95	AUTOMATIC LATE CHARGE	4.56#	784.36
05/19/95	REGULAR PAYMENT	100.00*	693.62

Date	Tran Amount	- - Regular Payment/Payoff Transaction Breakdown - -	Principal	Interest	Escrow	Insur	L/C	Fees
01/27/95	100.00	95.41	80.74	14.70	.00	.00	4.56	.00
03/10/95	110.00	102.64	90.58	15.06	.00	.00	4.36	.00
05/01/95	91.96	87.40	71.62	15.78	.00	.00	4.56	.00
05/19/95	100.00	95.04	90.74	4.70	.00	.00	4.56	.00

CURRENT BALANCES

06/12/95 PRINCIPAL BALANCE 693.62
INTEREST BALANCE 5.78

LATE CHARGES

KENNETH

Scheduled Payment Amount = \$91.35
Maximum Late Charge (5%) = \$4.56

Jan 27 - \$100.00
Mar 10 - \$110.00
May 01- \$ 91.96
May 19- \$100.00

<u>Scheduled Due Dates</u>	<u>Actual Dates Paid</u>	<u>Amount Paid</u>	<u>Late Charges</u>
1-7	1-27	\$91.35	\$4.56 (all late)
2-7	1-27	\$ 4.09	
	3-10	\$14.29	\$4.36
	5-1	\$72.97	(partially late)
3-7	3-10	\$91.35	\$0 (current period)
4-7	5-1	\$14.43	\$4.56 (all late)
	5-19	\$76.92	
5-7	5-19	\$18.52	\$4.56 (all late)