**Section 110.80 Interest-Bearing Loans**

a) No payment shall be accepted on the principal balance unless interest is paid to date or is agreed to by the licensee, except a payment may be credited to principal if the amount of the payment is not sufficient to pay the interest due for one day.

b) A calendar month is the period from a given date in one month to the same numbered date in the following month, and if there is no same numbered date in the following month, to the last day of the following month.

c) Interest shall be computed on the basis of one month's interest for each calendar month and 1/30th of a month's interest for each day in a fraction of a month or, alternatively, 1/365th of the agreed annual rate for each day actually elapsed.

d) When an interest-bearing loan contract is refinanced, accrued but uncollected interest may be included in the principal amount of the new loan contract.

e) Loans must be fully amortizing and repayable in substantially equal and consecutive weekly, biweekly, semimonthly, or monthly installments. The first installment period shall be deemed to begin on the day that interest begins to accrue. No charge may be made for any days between the date of the loan and the beginning of the first installment period. Notwithstanding the foregoing, the days between the date of the loan and the commencement of the first installment period may exceed one weekly, biweekly, semimonthly, or monthly period by no more than the following:

1) For weekly payments, by 4 days;

2) For biweekly and semimonthly payments, by 7 days;

3) For monthly payments, by 15 days.

(Source: Amended at 47 Ill. Reg. 9271, effective June 20, 2023)