

(a) Generic repayment estimates. The following is an example of how to

calculate the generic repayment estimates using the guidance in appendix M1 to this part where the annual percentage rate is 17 percent, the outstanding balance is \$1,000, and the minimum payment formula is 2 percent of the outstanding balance or \$20, whichever is greater. The following calculation is written in SAS code.

```
data one;
* inputs;
* annual percentage rate; apr=0.17;
perrate=(apr/12); * calculate monthly periodic rate;
*perrate = ((1+(apr/365))**30.41667)-1; *this formula would be used if a daily
periodic rate is assumed, and a 365 day year is used with 30.41667 days per month;
* outstanding balance; cbal=1000;
* dollar minimum payment; dmin=20;
* percent minimum payment; pmin=0.02;

* initialize counter for months;
month=0;

eins:
month=month+1; * increment month counter;
pmt=round(pmin*cbal,0.01); * calculate payment as percentage of balance;
if pmt lt dmin then pmt=dmin; * set dollar minimum payment;
xxxbal=round(cbal*(1+perrate),0.01);
if pmt gt xxxbal then
    pmt=xxxbal; * set final payment amount;

fc=round(cbal*perrate,0.01); * calculate interest charge;
prpmt=pmt-fc; * calculate principal payment;

* print month, balance, payment amount, interest charge, and principal payment;
```