

(c) With a stated discount or addition if paid before or after the date fixed for payment; ~~for}~~

(d) With exchange or less exchange, whether at a fixed rate or at the current rate; or

(e) With costs of collection or an attorney's fee or both upon default.

(2) A RATE OF INTEREST THAT CANNOT BE CALCULATED BY LOOKING ONLY TO THE INSTRUMENT IS "A STATED RATE OF INTEREST" AS USED IN SUBSECTION (1) OF THIS SECTION IF THE RATE DURING ANY PERIOD IS READILY ASCERTAINABLE BY A REFERENCE IN THE INSTRUMENT TO A PUBLISHED STATUTE, REGULATION, RULE OF COURT, GENERALLY ACCEPTED COMMERCIAL OR FINANCIAL INDEX, COMPENDIUM OF INTEREST RATES, OR ANNOUNCED OR ESTABLISHED RATE OF A NAMED FINANCIAL INSTITUTION.

~~(3) RENEGOTIABLE, GRADUATED, VARIABLE, ANNUITY, AND PRICE LEVEL ADJUSTED PAYMENTS ARE STATED INSTALLMENTS AS USED IN SUBSECTION (1) OF THIS SECTION IF THOSE PAYMENTS ARE PROVIDED FOR IN THE INSTRUMENT.~~

[(2)] (4) (3) Nothing in this section shall validate any term which is otherwise illegal.

3-109.

(1) An instrument is payable at a definite time if by its terms it is payable:

(a) On or before a stated date or at a fixed period after a stated date; ~~for}~~

(b) At a fixed period after sight; ~~for}~~

(c) At a definite time subject to any acceleration; ~~for}~~

(d) At a definite time subject to extension at the option of the holder, or to extension to a further definite time at the option of the maker or acceptor or automatically upon or after a specified act or event; ~~OR.~~

~~(E) BY RENEGOTIABLE, GRADUATED, VARIABLE, ANNUITY, OR PRICE LEVEL ADJUSTED PAYMENTS.~~

(2) An instrument which by its terms is otherwise payable only upon an act or event uncertain as to time of occurrence is not payable at a definite time even though the act or event has occurred.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1990.

Approved May 29, 1990.
