

12-402. LICENSE REQUIRED UNLESS EXEMPT.

(A) LICENSE REQUIRED.

A PERSON MAY MAKE LOANS UNDER THIS SUBTITLE IN THE REGULAR COURSE OF BUSINESS ONLY IF HE IS LICENSED UNDER OR EXEMPT FROM THE LICENSING REQUIREMENTS OF THE MARYLAND SECONDARY MORTGAGE LOAN LAW - LICENSING PROVISIONS.

(B) EXCEPTION.

THE PROVISIONS OF THIS SUBTITLE DO NOT APPLY TO A LOAN MADE BY ANY SAVINGS AND LOAN ~~[[CORPORATION]]~~ ASSOCIATION IF IT HOLDS THE FIRST MORTGAGE OR FIRST DEED OF TRUST ON THE PROPERTY SECURING THE LOAN.

REVISOR'S NOTE: Subsection (a) of this section is new language added to note the general requirement of licensure for making loans under this subtitle. The licensing provisions are retained in the cited Maryland Secondary Mortgage Loan Law - Licensing Provisions, Art. 66, §§ 40 through 71.

Subsection (b) of this section is new language derived without substantive change from Art. 66, §71, which is retained in Art. 66 because of its applicability to the licensing provisions as well as the credit provisions. Reference to a "building...and loan association" is deleted as unnecessary in light of the usage of the more modern term "savings and loan association"; in this regard, see Title 6, Subtitle 2 of the Corporations and Associations Article.

With respect to the division of the present Art. 66 secondary mortgage loan provisions, see general revisor's note to this subtitle.

12-403. FALSE ADVERTISING.

(A) FALSE ADVERTISING PROHIBITED.

A PERSON MAY NOT ADVERTISE DIRECTLY OR INDIRECTLY IN THE STATE ANY FALSE OR MISLEADING STATEMENT REGARDING SECONDARY MORTGAGE LOANS OR THEIR AVAILABILITY.

(B) EXCEPTION.

THIS SECTION DOES NOT APPLY TO THE OWNER, PUBLISHER, OPERATOR, OR EMPLOYEE OF ANY PUBLICATION OR RADIO OR TELEVISION STATION WHICH DISSEMINATES THE STATEMENT WITHOUT KNOWLEDGE OF ITS FALSE OR MISLEADING CHARACTER.