

Annotated Code of Maryland
(1983 Replacement Volume)

BY repealing and reenacting, with amendments,

Article - Financial Institutions
Section 11-401(f)
Annotated Code of Maryland
(1980 Replacement Volume and 1983 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Commercial Law

12-601.

(j) (1) "Goods" means all tangible personal property {that has a cash price of \$25,000 or less}.

(2) "Goods" does not include money or things in action.

12-612.

~~(a) -- A buyer may prepay at any time, without penalty, all or part of the outstanding balance payable under an installment sale agreement relating to consumer goods, -- REGARDLESS OF THE CASH PRICE OF THE GOODS.~~

(A) NOTWITHSTANDING THE PROVISIONS OF § 12-601(J) OF THIS ARTICLE, FOR THE PURPOSES OF THIS SECTION, "GOODS" MEANS ANY PERSONAL PROPERTY BOUGHT FOR USE PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES REGARDLESS OF THE CASH PRICE OF THE GOODS.

[(a)] (B) A buyer may prepay at any time, without penalty, all or part of the outstanding balance payable under an installment sale agreement relating to consumer goods.

[(b)] (C) (1) Except as provided in subsection (d) of this section, if the buyer pays the balance in full before maturity, the holder immediately shall refund to him a portion of the finance charge, including the charge provided for in § 12-610(2).

(2) The amount of the refund shall be calculated according to the actuarial method based on the original schedule of payments.

[(c)] (D) If a prepayment is made, the holder is entitled to retain a finance charge of at least \$6.

[(d)] (E) If the amount of the credit prepayment is less than \$1, no refund need be made.