

§5-103. Restrictions on deficiency judgments

1. This section applies to any consumer credit sale of goods or services and to any supervised loan.

[PL 1973, c. 762, §1 (NEW).]

2. If a creditor takes possession of or voluntarily accepts surrender of goods in which that creditor has a security interest to secure a debt and the amount financed is \$2,800 or less, the consumer and any sureties are not personally liable to the creditor for the unpaid balance of the debt.

[PL 1997, c. 727, Pt. B, §17 (AMD).]

3. For the purpose of determining the unpaid balance of consolidated debts or debts pursuant to open end credit, the allocation of payments to a debt shall be determined in the same manner as provided for determining the amount of debt secured by various security interests, section 3-303.

[PL 1973, c. 762, §1 (NEW).]

4. The consumer may be liable in damages to the creditor if the consumer has willfully or intentionally damaged the collateral or if, after default and demand, the consumer has concealed the collateral from the creditor.

[PL 1973, c. 762, §1 (NEW).]

5. If the creditor elects to bring an action against the consumer for a debt arising from a consumer loan or consumer credit sale of goods or services, when under this section he would not be entitled to a deficiency judgment if he repossessed the collateral and obtains judgment:

A. He may not repossess the collateral; and [PL 1973, c. 762, §1 (NEW).]

B. The collateral is not subject to levy or sale on execution or similar proceedings pursuant to the judgment. [PL 1975, c. 288, §3 (AMD).]

[PL 1975, c. 288, §3 (AMD).]

6.

[PL 1997, c. 727, Pt. B, §18 (RP).]

SECTION HISTORY

PL 1973, c. 762, §1 (NEW). PL 1975, c. 288, §3 (AMD). PL 1985, c. 763, §A41 (AMD). PL 1997, c. 727, §§B17,18 (AMD).

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