§2-504. Finance charge on refinancing

With respect to a consumer credit transaction, except a consumer lease, the creditor by agreement with the consumer may refinance the unpaid balance and contract for and receive a finance charge based on the amount financed resulting from the refinancing at a rate not exceeding that permitted by the provisions on finance charge for consumer credit sales other than open-end credit, section 2-201, if a consumer credit sale is refinanced, or for consumer loans, section 2-401, if a consumer loan is refinanced. For the purpose of determining the finance charge permitted, the amount financed resulting from the refinancing is composed of the following: [PL 1989, c. 457, §2 (RPR); PL 1989, c. 600, Pt. B, §§7, 8 (AFF).]

1. An amount equal to:

A. If the transaction was not precomputed, the total of the unpaid balance and the accrued charges, with the exception of any minimum charge, on the date of the refinancing; or [PL 1987, c. 129, §48 (NEW).]

B. If the transaction was precomputed, the amount which the consumer would have been required to pay upon prepayment pursuant to the provision on rebate upon prepayment, section 2-510, on the date of refinancing, but for the purpose of computing this amount no minimum charge is permitted; and [PL 1987, c. 129, §48 (NEW).]

[PL 1987, c. 129, §48 (RPR).]

2. Appropriate additional charges, section 2-501, payment of which is deferred.

[PL 1987, c. 129, §48 (RPR).]

SECTION HISTORY

PL 1973, c. 762, §1 (NEW). PL 1975, c. 173, §2 (AMD). PL 1979, c. 660, §§7,8 (AMD). PL 1981, c. 235, §3 (AMD). PL 1983, c. 77 (AMD). PL 1985, c. 316, §1 (AMD). PL 1985, c. 819, §A12 (AMD). PL 1987, c. 129, §48 (RPR). PL 1987, c. 129, §§49,50 (RPR). PL 1989, c. 457, §§2,8,9 (AMD). PL 1989, c. 600, §§B7,8 (AFF).

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