

(2) To redeem the property if repossessed for a default;

(3) To require, under certain conditions, a resale of the property, if repossessed.

12-609.

(a) The finance charge imposed on the sale of a motor vehicle may not exceed an amount computed using the following annual simple interest rates of finance charge:

(1) Class 1: A new motor vehicle -- 16.5 percent on the outstanding balance;

(2) Class 2: A used motor vehicle designated by the manufacturer by a model year not more than two years before the year in which the sale is made -- 22 percent on the outstanding balance; and

(3) Class 3: A used motor vehicle designated by the manufacturer by a model year more than two years before the year in which the sale is made -- 27 percent on the outstanding balance.

(b) A service or other charge not specifically provided for in this section may not be included in a retail installment sale of a motor vehicle.

(c) Except for an overcharge which results from a bona fide error in computation and which is corrected within 60 days from the date of the agreement, if a holder collects a charge greater in amount than the maximum permitted by this section, he shall forfeit to the buyer all finance charges paid or payable under the agreement.

(d) (1) A holder may not collect from the buyer a greater amount for insurance than that allowed by the State Insurance Department for the insurer carrying the risk.

(2) The insurance for which the holder may collect from the buyer is limited to automobile bodily injury and property damage liability, automobile physical damage, life and accident, [and] medical reimbursement, AND NONFILING INSURANCE.

(3) Except for an overcharge which results from a bona fide error in computation and which is corrected within 60 days from the date of the agreement, if a holder collects from the buyer a charge for insurance greater than that permitted under this subsection, he shall pay to the buyer a sum equal to ten times the amount of the overcharge.

(e) A finance charge in excess of the rates provided in this section may be imposed on the sale of new trucks, new truck tractors, new trailers, or new semitrailers