

(iii) A contract for the bailment or leasing of goods under which the bailee or lessee contracts to pay as compensation a sum THAT IS substantially equal to or [in excess of] IS MORE THAN the value of the goods.

(3) "Installment sale agreement" does not include a bona fide C. O. D. transaction or a layaway agreement as defined in § 14-1101(g) of this article.

(o) Principal balance.

"Principal balance" means the sum of items described in § 12-606 (b) (5), (6), and (7) of this subtitle.

(p) Retail sale.

"Retail sale" means the sale of goods for use or consumption by the buyer or for the benefit or satisfaction [which] THAT the buyer may derive from the use or consumption of the goods by another, but not for resale by the buyer.

(q) Sales finance company.

"Sales finance company" means a person WHO IS engaged, WHETHER BY PURCHASE, DISCOUNT, PLEDGE, LOAN, OR OTHERWISE, in the business of acquiring, investing in, or lending money or credit on the security of[, whether by purchase, discount, pledge, loan, or otherwise,] any interest in:

(1) An installment sale agreement made between other parties;

(2) A retail credit account transaction, as defined in § 12-501 of this article, made between other parties; or

(3) A home improvement transaction, as defined in ARTICLE 56, § 249 (c) of [Article 56] THE CODE, made between other parties, if collateral security is required by and given to the contractor as a condition to the transaction.

(t) Surety.

(1) "Surety" includes a guarantor[, but].

(2) "SURETY" does not include a seller who sells, transfers, or assigns an agreement.

SUPPLEMENTAL REVISOR'S NOTE TO SECTION: Ch. _____, Acts of 1980, which enacted the Financial Institutions Article, also amended this section, without substantive change, to conform its definitions to the substantively identical definitions in Title 11, Subtitle 4 of that article, which relates to the licensing of sales finance companies.