

(iv) The amount of each of these payments applied to principal;

(v) The current unpaid principal balance; and

(vi) The amount and due date of the next maturing installment.

(4) THE LENDER IS NOT REQUIRED TO ISSUE A RECEIPT IF THE LENDER ISSUES TO THE BORROWER A PAYMENT BOOK OR COUPON BOOK AND PAYMENT IS MADE BY CHECK OR MONEY ORDER.

(c) (1) A lender shall permit a borrower to prepay a loan in full or in part at any time, without penalty.

(2) Each partial prepayment shall be applied:

(i) First, to any interest accrued on the unpaid principal balance to the date of the payment; and

(ii) Then, to the unpaid principal balance.

(d) After full repayment of a loan, the lender shall:

(1) Indelibly mark with the word "paid" or "cancelled" and return each note, contract, or other evidence of obligation of the borrower in the possession of the lender;

(2) Release any mortgage, security agreement, or other form of security instrument which no longer secures any indebtedness to the lender; and

(3) Restore any pledge or certificate of title.

(e) At the request of the borrower, the lender shall furnish the borrower with a written statement of the account. However, the lender is not required to do so more than once in any 30-day period.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1983.

Approved May 10, 1983.

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CHAPTER 219

(House Bill 500)

AN ACT concerning

Patient Abuse in Related Institutions