

(b) With respect to a secured open end credit plan, fees or charges may not be imposed on a consumer borrower in addition to interest or finance charges except for actual and verifiable fees incurred by the credit grantor and not retained by the credit grantor for the following:

(1) Attorney's fees for services rendered in connection with the preparation, closing, or disbursement of the loan;

(2) Any expense, tax, or charge paid to a governmental agency;

(3) Examination of title, appraisal, or other costs necessary or appropriate to the security of the loan; and

(4) Premiums for any insurance coverage permitted under this subtitle.

(c) If a plan is established for a consumer borrower, a fee or charge may not be charged or collected unless the agreement concerning the plan permits the fee to be charged.

(d) If a plan is established for a borrower other than a consumer borrower, the borrower and credit grantor may agree upon any terms concerning charges and fees.

(e) For purposes of this subsection, the additional charges listed in subsections (a) and (b) of this section are not interest or finance charges with respect to a plan.

(F) WITH RESPECT TO AN OPEN END CREDIT PLAN NOT-SECURED--BY A--LIEN--ON--RESIDENTIAL--REAL--PROPERTY,--AND--NOTWITHSTANDING--ANY OTHER--PROVISION--OF--THIS--SUBTITLE SECURED BY ANY DEPOSIT, SAVINGS, PASSBOOK OR LIKE ACCOUNT OR CERTIFICATE OF DEPOSIT THAT PAYS NOT LESS THAN THE HIGHEST INTEREST RATE ALLOWED BY APPLICABLE STATE OR FEDERAL LAW IF THIS RATE IS STATED, A CREDIT GRANTOR MAY IMPOSE ON A CONSUMER BORROWER THE FEES AND CHARGES PERMITTED UNDER SUBSECTION (A) OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1984.

May 29, 1984

The Honorable Melvin A. Steinberg
President of the Senate
State House
Annapolis, Maryland 21404