

(1) If there is no resale of repossessed goods, all obligations of the borrower under the agreement shall be discharged, and the holder may retain the goods as his own property without obligation to account to the buyer.

12-116.

Any loan made before July 1, 1982, which is refinanced at a higher rate pursuant to Sections 12-103(a) and (c), 12-306, or 12-404 of the Commercial Law Article [or Section 6-507 of the Financial Institutions Article] must comply with the following requirements:

(1) The lender must give the following disclosures in writing to the borrower prior to the execution by the borrower of the new loan agreement:

If you do agree to consolidate your existing loan, you will be paying an annual percentage rate of % on the existing net balance of \$. . . , instead of the rate of % which you are now paying.

Schedule of Monthly Payments

Separate loan agreements	Consolidated loan agreement
\$ per month for	\$ per month for
the next months	the next months
then	
\$ per month for	
. . . . months after that	

Total of Payments

Separate loan agreements	Consolidated loan agreement
\$ total of payments	\$ total of payments
for your existing loan	for your consolidated
. . . . for your new loan	loan
total of payments	

(2) The lender must allow the borrower the choice of repaying his existing loan balance at the originally agreed upon rate and obtaining any additional extension of credit as a separate loan, notwithstanding any law which limits the lender's ability to make more than 1 loan to the same borrower;

(3) The lender must refund or credit to the borrower's account any unearned interest and any returned insurance premiums upon the cancellation of insurance sold in connection with the loan;

(4) Except in the case of a demand loan, a loan may be refinanced only upon the borrower's request;

(5) The lender must allow the borrower the right to cancel the consolidated loan agreement within 3 business days. The lender shall provide to the borrower conspicuous notice of the provisions of this subsection; and