

(c) (1) THIS SUBSECTION DOES NOT APPLY TO AN EXTENSION OF CREDIT OR LOAN MADE BY A CREDIT UNION ON OR AFTER OCTOBER 1, 1994.

(2) A loan under this section that is secured by a first mortgage may be made at any rate of interest that does not exceed the rate authorized by Title 12, Subtitle 1 of the Commercial Law Article for mortgage loans.

[(2)](3) A loan under this section that is secured by a second mortgage may be made at any rate of interest that does not exceed the rate authorized by Title 12, Subtitle 4 of the Commercial Law Article.

6-507.

(A) THIS SECTION DOES NOT APPLY TO AN EXTENSION OF CREDIT OR LOAN MADE BY A CREDIT UNION ON OR AFTER OCTOBER 1, 1994.

[(a)](B) Except as otherwise expressly provided in this title, a credit union may not charge interest on any loan to a member at a rate of more than ~~1.5~~ 2 percent a month on the unpaid balance.

[(b)](C) Notwithstanding the provisions of subsection (a) of this section, a credit union may charge interest on a loan to a member made on or after July 1, 1982, at 2 percent a month on the unpaid balance provided, with respect to such loan, that:

(1) If the loan is a renewal or refinancing of a loan made prior to July 1, 1982, the lender complies with § 12-116 of the Commercial Law Article;

(2) If the loan includes a provision for a rate of interest which may be adjusted by the lender during the term of the loan, the lender complies with § 12-118 of the Commercial Law Article;

(3) Upon the borrower's default, if the loan is secured by personal property, the lender complies with § 12-115 of the Commercial Law Article concerning repossession and redemption of the goods securing the loan;

(4) If the loan is for the purchase of consumer goods, the loan contract complies with § 12-117 of the Commercial Law Article; and

(5) The loan does not include a balloon payment, unless payment in full is due on demand or in 1 year or less.

6-510.

(a) A borrower from a credit union may prepay all or part of a loan on any day on which the office of the credit union is open.

(b) ~~(1) Subject to the provisions of paragraph (2) of this subsection, if a member of a credit union fails to repay as due a loan made by the credit union, the credit union may impose any fine or other penalty for which the bylaws provide.~~