

(3) A person engaged in selling a commodity or service from granting employee discounts to his own bona fide employees;

(4) A seller from introducing evidence to rebut a case brought under [subsections] SUBSECTION (a)(3) through [(a)](6) of this section to show that his lower price or the furnishing of services or facilities to a purchaser was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor; or

DRAFTER'S NOTE:

Error: Stylistic error in § 11-204(b)(4) of the Commercial Law Article.

Occurred: Ch. 52, Acts of 1975.

12-118.

A lender may not enter into a loan agreement, providing for an initial interest rate pursuant to [§§ 12-103(a) and (c), 12-306, or 12-404] § 12-103(A) AND (C), § 12-306, OR § 12-404 of [the Commercial Law Article] THIS TITLE or Section 6-507 of the Financial Institutions Article, which contains a provision that permits the lender to increase or decrease the applicable rate of interest or finance charges from time to time during the term of the obligation, unless:

(1) The loan is secured by an interest in real property;

(2) Any such provision limits adjustments in the rate on an obligation as follows:

(i) The increase and decrease in the rate is determined by an objective index which is not directly controlled by the lender and which is agreed upon by the parties to the agreement.

(ii) The rate may not be adjusted more frequently than once in a 6 month period.

1. The amount of increase in any 6 month period may not be more than the equivalent of 1 percentage point above the rate in effect prior to the rate change.

2. Notwithstanding subparagraph (i), if the rate of change in any index so allows, the rate may be increased to not more than the originally contracted for rate if authorized by the loan agreement. The agreed upon additional increases must comply with subparagraph (i).

3. Notwithstanding subparagraph (i), the lender may decrease the rate at any time and by any amount.