

(2005 Replacement Volume and 2007 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Commercial Law**

12-905.

(b) (1) Except as provided in subsection (f) of this section, 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)] (I) Attorney's fees for services rendered in connection with the preparation, closing, or disbursement of the loan;

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

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

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

(2) THE ADDITIONAL FEES OR CHARGES PERMITTED UNDER THIS SUBSECTION MAY BE IMPOSED, CHARGED, AND COLLECTED AT ANY TIME.

12-1005.

In addition to interest at a periodic percentage rate or rates permitted by §§ 12-1003 and 12-1004 of this subtitle, a credit grantor may charge and collect:

(d) (1) In the case of a loan to a consumer borrower, a fee permitted under subsection (b) of this section may not be charged and collected unless:

[(1)] (I) The agreement, note, or other evidence of the loan permits;

[(2)] (II) The fee is an actual and verifiable expense of the credit grantor not retained by him; and

[(3)] (III) Limited to charges for: