

**§ 3-508B (Modified)**  
**Effective for July 1, 2019**

(1) On loans having a principal of \$1,560.00 or less, a supervised lender (banks and licensed lenders) may charge in lieu of the loan finance charges specified in Section 3-508A, the following amounts:

(a) on any amount up to and including 155.95, a charge may be added at the ratio of \$5.20 for each \$26.00 of principal;

(b) on any loan in an amount in excess of \$155.96 up to and including the amount of \$182.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed \$15.60 per month;

(c) on any loan of an amount in excess of \$182.01 but not more than \$364.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed \$18.20 per month;

(d) on any loan of an amount in excess of \$364.01 but not in excess of \$520.00, there shall be allowed an acquisition charge for making the loan, not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed \$20.80 per month.

(e) on any loan in an amount in excess \$520.01 of up to and including the amount of \$780.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed \$23.40 per month;

(f) on any loan of an amount in excess of \$780.01 but not more than \$1,560.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed \$26.00;

(2) The maximum term of any loan made under the terms of this section shall be one (1) month for each Ten Dollars (\$10.00) of principal up to a maximum term of eighteen (18) months. Provided, however, that under subsections (e) and (f) the maximum terms shall be one (1)

month for each Twenty Dollars (\$20.00) of principal up to a maximum term of eighteen (18) months.

(3) The minimum term of any loan made under the terms of subsections (b) through (f) of this section shall be no less than sixty (60) days. Any loan made under the terms of this section shall be scheduled to be payable in substantially equal installments at not less than thirty-day intervals, with the first installment to be scheduled to be due not less than one (1) calendar month after the date such loan is made.

(4) Loans made under this section may be refinanced or consolidated according to the provisions of this section, notwithstanding anything in this act to the contrary. When a loan made under this section is refinanced or consolidated, installment account handling charges on the loans being refinanced or consolidated must be rebated pursuant to the provisions regarding rebate on prepayment (Section 3-210 of this title) as of the date of refinancing or consolidation. For the purpose of determining the amount of acquisition and installment account handling charges permitted in relation to the refinancing or the consolidation of loans made under this section, the principal resulting from the refinancing or consolidation is the total of the unpaid balances of the principal of the loans being refinanced or consolidated, plus any new money advanced, and any delinquency or deferral charges if due and unpaid, less any unearned acquisition and installment account handling charges imposed in connection with loans being refinanced or consolidated.

(5) On such loans under this section, no insurance charges or any other charges of any nature whatsoever shall be permitted.

(6) Except as otherwise provided, the acquisition charge authorized herein shall be deemed to be earned at the time a loan is made and shall not be subject to refund. Provided, however, in a loan made under this section which is prepaid in full, refinanced or consolidated within the first sixty (60) days, the acquisition charge under this section will not be fully earned at the time the loan is made, but must be refunded pro rata at the rate of one-sixtieth ( $1/60$ ) of the acquisition charge for each day from the date of the prepayment, refinancing or consolidation to the sixtieth day of the loan. On the prepayment of any loan under this section, the installment account handling charge shall be subject to the provisions of Section 3-210 of this title as it relates to refunds. Provisions of Section 3-203 of this title as it relates to delinquency charges and Section 3-204 of this title as it relates to deferral charges shall apply to loans made under the section.