

## Article - Commercial Law

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§12–1106.

(a) A consumer who fails to make a timely rental payment may reinstate the rental-purchase agreement, without losing any rights or options that exist under the rental-purchase agreement, if within 5 days of the renewal date, for a consumer who renews on a monthly basis, or within 2 days of the renewal date, for a consumer who renews on a weekly basis, the consumer pays:

- (1) All past due rental charges;
- (2) If the rental property has been picked up or repossessed, the reasonable costs of pickup and redelivery; and
- (3) Any applicable reinstatement fee, which may not exceed \$5.

(b) A consumer who has paid less than two-thirds of the total of payments necessary to acquire ownership of the rental property and who has returned or voluntarily surrendered the rental property without judicial process during the applicable reinstatement period under subsection (a) of this section or who has made the property available for pickup at the request of the lessor, whichever occurs last, may reinstate the rental-purchase agreement prior to a date not less than 21 days after the date of the return of the rental property.

(c) A consumer who has paid two-thirds or more of the total of payments necessary to acquire ownership of the rental property and who has returned or voluntarily surrendered the rental property without judicial process during the applicable period set forth in subsection (a) of this section or who has made the property available for pickup at the request of the lessor, whichever occurs last, may reinstate the rental-purchase agreement prior to a date not less than 45 days after the date of the return of the rental property.

(d) Nothing in this section shall prevent a lessor from repossessing the property during the reinstatement period, but a repossession may not affect the consumer's right to reinstate. After reinstatement, the lessor shall provide the consumer with the same rental property or a substitute property of comparable quality and condition.

(e) (1) A lessor may repossess property under a rental-purchase agreement if the consumer is in default of:

- (i) Any sum due under the agreement; or
- (ii) The performance of any promise the breach of which is expressly made a ground for repossessing the property.

(2) A lessor may repossess property only by legal process or self-help

without the use of force. Nothing in this section authorizes a violation of criminal law.

(3) At the time of repossession of the property, the lessor shall deliver to the consumer a written notice which states the right of the buyer to reinstate the rental-purchase agreement, the last date by which the consumer may reinstate the agreement, and the amount payable for reinstatement.

(4) The consumer may reinstate the rental-purchase agreement within 15 days after the date of repossession by paying:

- (i) All past due rental charges;
- (ii) The reasonable costs of pickup and redelivery; and
- (iii) A reinstatement fee of \$5.

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