

## Article - Commercial Law

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§12–901.

(a) In this subtitle the following words have the meanings indicated.

(b) “Borrower” means a corporation, partnership, association, government or governmental subdivision or agency, trust, individual, or other entity receiving a loan or other extension of credit under this subtitle.

(c) “Commercial loan” and “extension of credit for a commercial purpose” mean an extension of credit made:

(1) Solely to acquire an interest in or to carry on a business or commercial enterprise; or

(2) To any business or commercial organization.

(d) “Consumer borrower” means an individual receiving a loan or other extension of credit under this subtitle for personal, household, or family purposes or an individual receiving a commercial loan or other extension of credit for any commercial purpose not in excess of \$75,000, secured by residential real property.

(e) “Credit device” means any card, plate, check, draft, identification code, or other means of identification contemplated by the agreement governing the plan.

(f) (1) “Credit grantor” means any individual, corporation, business trust, statutory trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal or commercial entity making a loan or other extension of credit under this subtitle which is incorporated, chartered, or licensed pursuant to State or federal law, the lending operations of which are subject to supervision, examination, and regulation by a State or federal agency or which is licensed under Title 12, Subtitle 4 of the Financial Institutions Article or is a retailer.

(2) “Credit grantor” includes:

(i) Any bank, trust company, depository institution, or savings bank having a branch in this State;

(ii) Any subsidiary of a bank holding company, as defined in the federal Bank Holding Company Act of 1956, as amended, which is domiciled, doing business, and offering a revolving credit plan involving the issuance of credit devices in this State; and

(iii) Any person who acquires or obtains the assignment of a revolving credit plan made under this subtitle.

(g) “Loan” means a cash advance to be paid to or for the account of the borrower.

(h) “Nonconsumer borrower” means any borrower other than a consumer borrower.

(i) (1) “Outstanding unpaid indebtedness” means on any day the total amount of purchases and loans charged to the borrower’s account under the plan which is outstanding and unpaid at the end of the day, after adding the aggregate amount of any new purchases and loans charged to the account that day and deducting the aggregate amount of any payments and credits applied to the account that day.

(2) If the agreement governing the plan permits, “outstanding unpaid indebtedness” may include the amount of any interest, finance charges, and additional charges, including late or delinquency charges, that have accrued in the account and are unpaid at the end of the day.

(j) “Purchase” means an extension of credit for a purchase of real or personal, tangible or intangible property, or an extension of credit for services, licenses, taxes, official fees, fines, private or governmental obligations, or any other thing of value, including a charitable contribution.

(k) “Residential real property” means owner-occupied real property having a dwelling on it designated principally as a residence with accommodations for not more than four families.

(l) “Revolving credit plan” or “plan” means a plan that contemplates the extension of credit under an account governed by an agreement between a credit grantor and a borrower under which:

(1) The credit grantor permits the borrower and, if the agreement governing the plan permits, persons acting on behalf of or with authorization from the borrower to make purchases or obtain loans from time to time;

(2) The amounts of purchases and loans are charged to the borrower’s account;

(3) The borrower is required to pay the credit grantor the amounts of all purchases and loans charged to the borrower’s account under the plan but has the privilege of paying amounts due from time to time as agreed; and

(4) Interest or finance charges may be charged and collected by the credit grantor from time to time on the amounts due under the plan.

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