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§14–1106.

(a) The buyer is in default under a layaway agreement whenever 15 days has lapsed from the scheduled date on which the buyer failed to make a required payment.

(b) If the buyer defaults under subsection (a) of this section, the seller may immediately cancel the layaway agreement and recover from the buyer liquidated damages under subsection (c) of this section or § 14–1107 of this subtitle, as applicable.

(c) If the buyer defaults under a layaway agreement 8 or more calendar days after the date of its execution, the seller may retain as liquidated damages an amount not to exceed 10 percent of the layaway price or the total amount paid by the buyer to the date of default, whichever is less.

(d) Unless otherwise provided in the layaway agreement, subsection (c) of this section does not apply if the buyer defaults under a special order transaction.

(e) Except as provided in § 14–1104(c) of this subtitle, at any time before delivery or tender of delivery, and before default by the buyer, the layaway agreement may be canceled by the buyer. However, the seller may retain from the refund due the buyer liquidated damages in an amount which is the lesser of 10 percent of the layaway price or the total amount paid by the buyer to the date of cancellation.

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