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§14–2002.

(a) A lease shall be in writing and signed by the lessor and the lessee.

(b) The printed portion of the lease, other than directions for completion of the lease and the text of any assignment between the original lessor and an assignee, shall be printed in a size equal to at least 8 point type. The lease shall contain the following items printed or written in a conspicuous manner:

(1) At the top of the lease, the words "Motor Vehicle Lease Agreement";

(2) If physical damage or liability insurance coverage for bodily injury and property damage caused to others is not included in the lease, a notice substantially similar to the following: "No physical damage or liability insurance coverage for bodily injury or property damage caused to others is included in this lease";

(3) Directly above the acknowledgment permitted by subsection (c) of this section, a written notice substantially similar to the following: "Notice to the lessee: This is a lease. You have no ownership rights in the motor vehicle unless and until you exercise your option to purchase the motor vehicle, if this lease contains a purchase option. Do not sign this lease before you read it or if it contains any blank space. You are entitled to a completely filled in copy of this lease when you sign it";

(4) A statement substantially similar to the following: "Early termination may require you to pay a substantial amount"; and

(5) The following provision in at least 10 point boldface type:

"Notice

Any holder of this consumer lease is subject to all claims and defenses which the lessee could assert against the lessor of the motor vehicle. Recovery hereunder by the lessee shall not exceed amounts paid by the lessee under this lease."

(c) (1) The lessor shall deliver to the lessee, or mail to the lessee at the lessee's address shown on the lease, a copy of the lease signed by the lessor.

(2) Any acknowledgment by the lessee of delivery of a copy of the lease shall be conspicuous and shall appear directly above the space reserved for the lessee's signature.

(d) The lease shall state the names of the original lessor and lessee, the place of business of the original lessor, the residence of the lessee as specified by the lessee, and a description of the motor vehicle, including its make, model year, model, and, if known, the motor vehicle's identification number or marks.

(e) The lease shall contain:

(1) All items required to be disclosed by the Consumer Leasing Act;

(2) A disclosure of the capitalized cost; and

(3) A provision briefly describing the lessee's rights upon default.

(f) (1) If the lessee is obligated under the lease to maintain liability insurance or other insurance on the motor vehicle and if subsequent to execution of the lease the lessee fails to maintain the required insurance, if the lease permits, the lessor may procure insurance for either the interests of the lessee and the lessor or the interest of either of them insuring substantially the same risks required to be insured by the lease.

(2) The lease may also provide that the amount of the premium paid by the lessor may be the subject of a lease charge as though such amount was part of the capitalized cost, and shall be subject to the default provisions of the lease.

(3) Nothing in this subsection shall prevent the lessor from pursuing any other remedy for default set forth in the lease or provided by law.

(g) (1) If the lease permits, a lessor may impose on the lessee:

(i) A late or delinquency charge for payments or portions of payments that are in default under the lease;

(ii) A collection charge, which may include all court and other collection costs actually incurred by the lessor and, if the lease is referred for collection to an attorney who is not a salaried employee of the lessor, a reasonable attorney's fee; and

(iii) If any payment is made to the lessor with a check that is dishonored on the second presentment, a charge not to exceed $15.

(2) No more than one late or delinquency charge may be imposed for any single payment or portion of payment, regardless of the period during which it remains in default.

(h) (1) Except as permitted by paragraph (2) of this subsection, no lease shall be signed by any party if it contains blank spaces to be filled in after it has been signed.

(2) If delivery of the motor vehicle is not made at the time of execution of the lease, the motor vehicle's identifying numbers, marks, or similar information and the due date of the first payment may be filled in after execution of the lease.

(3) The lessee's written acknowledgment, conforming to the requirements of subsection (c) of this section, of delivery of a copy of the lease shall be conclusive proof

of delivery of a copy of the consumer lease in any action or proceeding by or against an assignee of the lease without knowledge to the contrary at the time of the assignment.

(i) Notwithstanding any contrary provision of this subtitle or other laws of this State:

(1) Subject to the rights of the lessee under the lease, a lessor may sell a lease, a leased motor vehicle, or an interest in a lease on such terms and conditions and for such price as may be mutually agreed upon between the lessor and the lessor's assignee; and

(2) No filing of the assignment, no notice to the lessee of the assignment, and no requirement that the lessor be deprived of dominion over payments upon the lease or over the motor vehicle if repossessed by or returned to the lessor, shall be necessary to the validity of a written assignment of a lease as against creditors, subsequent purchasers, pledgees, mortgagees, or encumbrancers of the lessor.

(j) (1) Until the lessee has notice of assignment of a lease, payment made by the lessee to the last known holder of the lease shall be binding upon all subsequent assignees.

(2) If requested by the lessee, the assignee shall furnish reasonable proof that the assignment has been made and the lessee may pay the original lessor until reasonable proof of the assignment has been furnished.

(3) The lessor shall provide the lessee with a written receipt for any payment made in cash.

(k) (1) Upon written request from a lessee, the lessor shall give or forward to the lessee a written statement of the dates and amounts of the payments that have been made under the lease and the amount of the lessee's remaining payments and any other amounts owed to the lessor as reflected on the lessor's books and records at the time of the notice.

(2) Upon written request from a lessee, the lessor shall give or forward to the lessee a written estimate of the lessee's total early termination liability under the lease.

(3) No charge may be imposed on the lessee for preparation of the statements provided for in paragraphs (1) and (2) of this subsection, except a lessor may impose a reasonable fee, not to exceed $5 per statement, if:

(i) The lessee requests more than one statement under paragraph (1) of this subsection or more than one statement under paragraph (2) of this subsection in any 12-month period; and

(ii) The charge is disclosed in the lease.

(l) A lease may not contain any provision by which:

(1) In the absence of the lessee's default, the lessor may, arbitrarily and without reasonable cause, accelerate maturity of any part or all of the amount owing under the lease;

(2) The lessor may accelerate maturity of any part or all of the amount owing under the lease solely because the lessor deems itself insecure;

(3) A power of attorney is given to confess judgment, or an assignment of wages is given;

(4) The lessor, or other person acting on behalf of the lessor, is given authority to enter upon the lessee's premises unlawfully, or to commit any breach of the peace in the repossession of the motor vehicle;

(5) The lessee waives any right of action against the lessor, or other person acting on behalf of the lessor, for any illegal act committed in the collection of payments under the lease or in the repossession of the motor vehicle;

(6) The lessee executes a power of attorney appointing the lessor, or other person acting on behalf of the lessor, as the lessee's agent in collection of payments under the lease or in the repossession of the motor vehicle; provided, however, that this paragraph shall not prohibit the inclusion in a lease of a limited power of attorney or other provision authorizing the lessor to execute in the lessee's name any proofs of insurance claims or losses, to execute in the lessee's name any titling and registration documents, or to endorse the lessee's name on any insurance settlement or premium rebate draft or check the proceeds of which are applicable to the lessee's obligations under the lease;

(7) The lessor is relieved from liability for any legal remedy which the lessee may have against the lessor under the lease, or any separate instrument executed in connection therewith;

(8) The maturity of any part or all of the amount owing under the lease is accelerated where, following a default consisting solely of the failure to make timely payments, a lessee who has the right to redeem the lease makes timely payment of an amount sufficient to redeem the lease under § 14-2008(h) of this subtitle; or

(9) The lessee waives any right provided to the lessee by this subtitle.

(m) (1) Any clause or provision prohibited by subsection (l) of this section shall be unenforceable but shall not otherwise affect the lease's continuing validity and enforceability.

(2) The penalties provided in § 14-2007 of this subtitle or in § 13-408 of this article do not apply to violations of subsection (l) of this section unless a lessor attempts to enforce a provision prohibited by that subsection.

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