

Article - Commercial Law

§12-607.

(a) A holder may not take or receive any instrument from a buyer or a surety for a buyer, which contains:

(1) Except as provided in subsection (b) of this section, any blank space to be filled in after the instrument is signed by a party to it;

(2) A confession of judgment or any power of attorney to appear for the buyer or for a surety for the buyer to confess judgment;

(3) A schedule of payments under which any installment, except the down payment, is more than double the average of all other installments, excluding the down payment, or under which the interval between any consecutive installments is less than one-half the average of all other intervals, unless the buyer is given an absolute right, on default in any of the excess or irregular installments, to have the schedule of unpaid installments, including that in default, revised to conform in both amounts and intervals to the average of all preceding installments and intervals;

(4) A provision for repossession of the goods or for the acceleration of the time when any part or all of the time balance becomes payable, if the condition of the repossession or acceleration is that the holder considers himself insecure;

(5) A provision by which the buyer waives or purports to waive a tort claim or by which the seller has the right to enter unlawfully upon any premises;

(6) A provision by which a person acting on behalf of a holder in connection with the formation or execution of an agreement is treated as an agent of the buyer; or

(7) An assignment or order for payment of wages, whether earned or to be earned.

(b) If, at the time of its execution, an installment sale agreement contains a sufficient description of the goods as required by § 12-606 of this subtitle, further serial numbers or other identifying marks on the goods may be inserted in the agreement on delivery of the goods.