

VIRGINIA ACTS OF ASSEMBLY -- 2003 SESSION

CHAPTER 439

An Act to amend the Code of Virginia by adding a section numbered 6.1-330.78:1, relating to contracts for interest exceeding legal rate; exceptions for certain consumer transactions.

[H 2579]

Approved March 16, 2003

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 6.1-330.78:1 as follows:

§ 6.1-330.78:1. Charge on option financing contracts.

No person shall, by way of defense or otherwise, avail himself of the provisions of this chapter, or any other section or case law relating to usury or compounding of interest, to avoid or defeat the payment of interest, or any other sum, in connection with a loan made to a person pursuant to a stock option financing program, pursuant to which a lender finances the option holder's exercise of the option to purchase stock, which exercise is financed through such means as purchasing the stock on margin, selling sufficient shares of the stock to cover the total exercise cost, or selling the full quantity of stock to cover the total exercise cost.