

VIRGINIA ACTS OF ASSEMBLY -- 1997 SESSION

CHAPTER 113

An Act to amend and reenact § 6.1-282 of the Code of Virginia, relating to banking and finance; consumer finance companies.

[S 1046]

Approved March 6, 1997

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-282 of the Code of Virginia is amended and reenacted as follows:

§ 6.1-282. Requirements for making and payment of loans.

Every licensee shall:

(1) At the time any loan is made, deliver to the borrower, or if there are two or more borrowers to one of them, a statement which shall disclose (i) ~~that if such loan is prepaid in full, a rebate of unearned charges will be made;~~ (ii) the names and addresses of the licensee and of the principal debtor on the loan contract; and ~~(iii)~~ (ii) a statement in compliance with the federal Truth-In-Lending Regulation Z (12 CFR 226);

(2) Give the borrower a plain receipt for all cash payments. The Commission may specify the form and content of such receipts in keeping with the intent and purpose of this chapter;

(3) Permit payment to be made in advance in whole, or in part equal to one or more full installments, but the licensee may apply the payment first to any amounts which are due and unpaid at the time of such payment;

(4) Upon repayment of the loan in full, mark plainly every obligation and security other than a security agreement executed by the borrower with the word "Paid" or "Canceled," mark satisfied any judgment, restore any pledge, cancel and return any note and any assignment given by the borrower to the licensee and release any security agreement or other form of security instrument which no longer secures an outstanding loan between the borrower and the licensee;

(5) In the event of collection by foreclosure sale or otherwise, pay and return to the borrower or to whomsoever is entitled thereto any surplus arising after the payment of the expenses of collection, sale or foreclosure and satisfaction of the debt.