

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 6.1-330.60 of the Code of Virginia, relating to charges by banks and*
3 *savings institutions on installment loans.*

4 [H 1659]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 6.1-330.60 of the Code of Virginia is amended and reenacted as follows:**

8 § 6.1-330.60. Charges by banks and savings institutions; installment loans.

9 A. Notwithstanding any statute or law relating to interest or usury, any loan made by a bank or
10 savings institution payable in weekly, monthly or other periodic installments may be lawfully enforced
11 as agreed in the contract of indebtedness. In addition to the foregoing, a loan fee not exceeding two
12 percent of the principal amount of the loan may also be charged or collected in advance from the
13 borrower. An interest rate charged in advance upon the entire principal amount of the loan or pursuant
14 to a written modification agreement shall be lawful. The provisions of this section shall also apply to
15 loans for the purpose of financing the purchase of a motor vehicle, made by a subsidiary or affiliate of a
16 bank or savings institution that is not a licensee under the provisions of the Consumer Finance Act
17 (§ 6.1-244 et seq.).

18 B. *No person shall, by way of defense or otherwise, avail himself of the provisions of this chapter or*
19 *any other section relating to usury to avoid or defeat the payment of interest, or any other sum, upon a*
20 *loan made by a bank or savings institution to defray educational expenses, including, but not limited to,*
21 *tuition, fees, books, supplies, room, board, and personal expenses.*

ENROLLED

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