

No. 690

AN ACT

Amending the act of June 28, 1947 (P. L. 1110), entitled "An act defining and regulating certain installment sales of motor vehicles; prescribing the conditions under which such sales may be made and regulating the financing thereof; regulating and licensing persons engaged in the business of making or financing such sales; prescribing the form, contents and effect of instruments used in connection with such sales and the financing thereof; prescribing certain rights and obligations of buyers, sellers, persons financing such sales and others; limiting incidental charges in connection with such instruments and fixing maximum interest rates for delinquencies, extensions and loans; regulating insurance in connection with such sales; regulating repossessions, redemptions, resales and deficiency judgments and the rights of parties with respect thereto; authorizing extensions, loans and forbearances related to such sales; authorizing investigations and examinations of persons engaged in the business of making or financing such sales; prescribing penalties and repealing certain acts," permitting payment of time balances in amounts varying with the expected income of the buyer.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Motor Vehicle
Sales Finance
Act.

Section 1. Subsection F, section 13 of the act of June 28, 1947 (P. L. 1110), known as the "Motor Vehicle Sales *Finance Act," is amended to read:

Subsection F,
section 13, act
of June 28,
1947, P. L. 1110,
amended.

Section 13. Requirements as to Contracts.—

* * * * *

F. Every installment sale contract shall provide for payment of the time balance in substantially equal periods and in substantially equal amounts: Provided, That when [appropriate for the purpose of facilitating payment, in accordance with a buyer's intermittent income, a] *the buyer expects his income to vary because of seasonal employment, seasonal sales, use of accelerated depreciation for tax purposes or other known cause, the contract may provide for payment [on a schedule which reduces or omits payments over any period or periods in which the buyer's income is reduced or suspended.] of the time balance in amounts which vary with such expected varying income.* An installment sale of a new motor vehicle to a bona fide salesman or of motor vehicles to be used by him principally as a demonstrator shall be exempt from the equal payment schedule requirement of this section.

* "Finance" in original.

Effective date.

Section 2. This act shall take effect in ninety days.

APPROVED—The 17th day of December, A. D. 1959.

DAVID L. LAWRENCE

No. 691

AN ACT

Amending the act of April 8, 1937 (P. L. 262), entitled, as amended, "An act relating to consumer credit; requiring licenses from the Secretary of Banking; restricting licenses to domestic business corporations; fixing minimum capital requirements; conferring certain powers on the Secretary of Banking; limiting interest and other charges; providing certain exemptions; and imposing penalties," further regulating the granting of licenses and providing for appeals.

Consumer Dis-
count Company
Act.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

First paragraph,
section 12, act
of April 8,
1937, P. L. 262,
amended June
20, 1947, P. L.
665, further
amended.

Section 1. The first paragraph of section 12, act of April 8, 1937 (P. L. 262), known as the "Consumer Discount Company Act," amended June 20, 1947 (P. L. 665), is amended to read:

Section 12. Authority of the Secretary of Banking.—The Secretary of Banking shall have the power to reject any application for license if he is satisfied that the financial responsibility, experience, character and general fitness of the person or persons shown on the application for license as officers and directors of the applicant corporation are not such as to command the confidence of the community and to warrant the conclusion that the business will be operated honestly, fairly, and within the intent and purpose of this act and in accordance with the general laws of this Commonwealth: Provided, however, That no license may be issued, if any director, officer, employe, or agent of the applicant corporation has been convicted under this act for engaging in business contemplated by this act without having obtained a license under this act, or if any director, officer, employe, or agent of the applicant corporation was a director, officer, employe, or agent of a corporation which had been convicted of a second offense violation of this act and had its license revoked. *Whenever the Secretary of Banking rejects an application for a license, he shall furnish the applicant with a written specification of the reason or reasons therefor. Any corporation whose application for a license is rejected by the Secretary of Banking may, within thirty (30) days of notice thereof, appeal from such action to the Court of Common Pleas of Dauphin County. The failure of the Secretary of Banking to act upon an*