

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 681
HOUSE BILL 1239

AN ACT TO PROVIDE THAT A LOAN INSTRUMENT THAT CONTAINS NO PREPAYMENT TERMS OR PREPAYMENT TERMS THAT ARE NOT IN ACCORDANCE WITH LAW MAY BE PREPAID.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 24 is amended by adding a new section to read:

"§ 24-2.4. Prepayment of a loan if there are no prepayment terms or if the prepayment terms are not in accordance with law. – A borrower may prepay a loan in whole or in part without penalty where the loan instrument does not explicitly state the borrower's rights with respect to prepayment or where the provisions for prepayment are not in accordance with law."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 10th day of July, 1985.