

CREDIT REFORM ACT (EXCERPT)
Act 162 of 1995

445.1858 Certain provisions in written agreement as void and unenforceable.

Sec. 8.

Any of the following provisions contained in a written document made in connection with an extension of credit to an individual for personal, family, or household purposes are void and unenforceable:

- (a) A power of attorney to confess a judgment.
- (b) Unless otherwise expressly provided for by law, a waiver of a borrower's or buyer's rights under this act.
- (c) Except as authorized by this act, an agreement by a borrower or buyer to pay a penalty. Late payment and prepayment charges are not penalties.

History: 1995, Act 162, Eff. Mar. 28, 1996

Compiler's Notes: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.