

666 **SECTION 37.**

667 Chapter 3 of Title 7 of the Official Code of Georgia Annotated, relating to installment loans,
668 is amended by adding a new paragraph to Code Section 7-3-11, relating to maximum loan
669 amount, period, and charges, to read as follows:

670 **"(6) Deferment.**

671 **(A) Hardship deferment:** Nothing in this article shall be construed as prohibiting any
672 licensee and borrower from contracting to defer periodic payments consisting of 673
674 principal payments, interest, fees, premiums, and charges provided that no additional
675 interest, fees, premiums, or charges are incurred or otherwise imposed as a result of
676 such deferment. Nothing in subparagraph (B) of this paragraph shall be construed as
677 limiting the duration of a hardship deferment or the number of hardship deferments that
can be granted during a loan term.

678 **(B) Convenience deferment:** A licensee and a borrower may, at any time, contract to
679 defer all of or part of one or more unpaid installments, and the licensee may make and
680 collect a charge therefor, subject to the following provisions:

681 (i) A convenience deferment may be for any duration agreed upon by the licensee
682 and the borrower but shall not exceed four months. A licensee may agree to multiple
683 convenience deferments during the loan term provided that the total duration of all
684 convenience deferments does not exceed four months;

685 (ii) A licensee may charge a fee for the deferment. The deferment fee shall not 686
687 exceed an amount equal to the result of applying the interest rate provided in the
688 original loan agreement to the amount deferred for the deferment period. The 688
689 deferment fee shall be calculated without regard to the difference in lengths of months
690 by counting each day of the deferment period as one-thirtieth of a month. The fee
691 may be collected at the time it is assessed or at any later date as agreed upon by the
licensee and the borrower; provided, however, that the deferment fee is earned pro