

**325G.22 LIMITS ON BUYER'S LIABILITY.**

Subdivision 1. **Personal liability of buyer limited.** If the seller or lender repossesses or voluntarily accepts surrender of personal property in which the seller or lender has a security interest arising out of a consumer credit transaction and the aggregate amount of the credit extended in the transaction was \$3,000 or less, the buyer is not personally liable to the seller or lender for the unpaid balance of the debt arising from the consumer credit transaction, and the seller or lender is not obligated to resell the collateral.

*[See Note.]*

Subd. 1a. **Adjustment of dollar amounts.** The dollar amount in subdivision 1 shall change periodically as provided in section 550.37, subdivision 4a.

Subd. 2. **Buyer's liability.** The buyer may be liable in damages to the seller or lender if the buyer has wrongfully damaged the collateral or wrongfully failed to make the collateral available to the seller or lender.

Subd. 3. **Restriction on repossession, levy, and sale.** If the seller or lender elects to bring an action and obtains judgment against the buyer for a debt arising from a consumer credit transaction, when under this section the seller or lender would not be entitled to a deficiency judgment on repossessing the collateral, (a) the seller or lender may not repossess the collateral, and (b) the collateral is not subject to levy or sale on execution or similar proceedings pursuant to the judgment.

**History:** 1977 c 180 s 2; 1986 c 444; 1990 c 464 s 5

**NOTE:** The dollar amount in subdivision 1 does not reflect the amount as adjusted by the commissioner of commerce pursuant to section 550.37, subdivision 4a. The current dollar amounts are published in the State Register, volume 36, page 1217, and within the department's Web site [www.commerce.state.mn.us](http://www.commerce.state.mn.us).