

CONSUMER MORTGAGE PROTECTION ACT (EXCERPT)
Act 660 of 2002

445.1641 Unintentional and bona fide error.

Sec. 11. (1) A person is not liable for a violation under section 10 if the person shows that the violation was an unintentional and bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid the error. Examples of a bona fide error include clerical, calculation, computer malfunction, programming, or printing errors. An error in legal judgment with respect to a person's obligations under this act is not a bona fide error.

(2) A person is not liable for a violation under section 10 if, within 60 days after discovery of the violation and before the institution of an action under section 10, the person notifies the borrower or buyer of the violation and corrects the violation in a manner that, to the extent it is reasonably possible to do so, restores the borrower or buyer to the position in which the borrower or buyer would have been if the violation had not occurred.

(3) The person alleged to have violated this act has the burden of proving that he or she is not liable as provided under this section.

History: 2002, Act 660, Imd. Eff. Dec. 23, 2002.