

**16a-5-109. (UCCC) Default.** An agreement of the parties to a consumer credit transaction with respect to default on the part of the consumer is enforceable only to the extent that:

- (1) The consumer fails to make a payment as required by agreement; or
- (2) the prospect of payment, performance, or realization of collateral is significantly impaired; the burden of establishing the prospect of significant impairment is on the creditor.

**History:** L. 1973, ch. 85, § 85; Jan. 1, 1974.