

1 "CIVIL AND CRIMINAL PENALTIES

2 "SEC. 206. (a) (1) Any creditor who, in connection
3 with any credit transaction, knowingly fails in violation of
4 section 203, or any regulation issued thereunder, to disclose
5 any information to any person to whom such information is
6 required to be given shall be liable to such person in the
7 amount of \$100, or in any amount equal to twice the finance
8 charge required by such creditor in connection with such
9 transaction, whichever is the greater, except that such lia-
10 bility shall not exceed \$1,000 on any credit transaction.

11 "(2) In any action brought under this subsection in which
12 it is shown that the creditor disclosed a percentage rate or
13 amount less than that required to be disclosed by section 203
14 or regulations prescribed by the Board (after taking into
15 account permissible tolerances), or failed to disclose informa-
16 tion so required, there shall be a rebuttable presumption
17 that such violation was made knowingly. The presumption
18 is rebutted if the creditor shows by a preponderance
19 of evidence that the violation was not intentional and re-
20 sulted from a bona fide error notwithstanding the mainte-
21 nance of procedures reasonably adapted to avoid any such
22 error. A creditor has no liability under this subsection
23 if within fifteen days after discovering the error, and prior
24 to the institution of an action hereunder or the receipt of
25 written notice of the error, the creditor notifies the person