*** § 748. Penalties.** 1. Any person, including any member, officer, director or employee of a buy-now-pay-later lender, who violates or participates in the violation of section seven hundred thirty-seven of this article, or who knowingly makes any incorrect statement of a material fact in any application, report or statement filed pursuant to this article, or who knowingly omits to state any material fact necessary to give the superintendent any information lawfully required by the superintendent or refuses to permit any lawful investigation or examination, shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than five hundred dollars or imprisoned for not more than six months or both, in the discretion of the court.

2. (a) Without limiting any power granted to the superintendent under any other provision of this chapter, the superintendent may, in a proceeding after notice and a hearing require a buy-now-pay-later lender, whether or not a licensee, to pay to the people of this state a penalty for any violation of this chapter, any rule or regulation promulgated thereunder, any final or temporary order issued pursuant to section thirty-nine of this chapter, any condition imposed in writing by the superintendent in connection with the grant of any application or request, or any written agreement entered into with the superintendent, and for knowingly making any incorrect statement of a material fact in any application, report or statement filed pursuant to this article, or knowingly omitting to state any material fact necessary to give the superintendent any information lawfully required by the superintendent or refusing to permit any lawful investigation or examination.

(b) The superintendent shall not impose or collect any penalty for an act or omission constituting a violation of this article if the superintendent imposes or collects any penalty pursuant to another provision of this chapter for the same act or omission.

(c) The superintendent shall not impose or collect a penalty for an act or omission constituting a violation of this article by a buy-now-pay-later lender more than once for the same act or omission, where the entity extending credit directly to a consumer is different from the entity operating a platform, software, or system with which the consumer interacts, unless both entities are found to have knowingly committed the same act or omission.

(d) As to any buy-now-pay-later lender that is not a licensee or an authorized buy-now-pay-later lender, the superintendent is authorized to impose a penalty in the same amount authorized in section forty-four of this chapter for a violation of this chapter by any person licensed, certified, registered, authorized, chartered, accredited, incorporated or otherwise approved by the superintendent under this chapter.

3. No person except a buy-now-pay-later lender licensed under this article shall make, directly or indirectly, orally or in writing, or by any method, practice or device, a representation that such person is licensed under this article.

* NB Effective upon the one hundred eightieth day after the promulgation of rules and/or regulations by the department of financial services to effectuate certain provisions (see Ch. 58 of 2025, Part Y, § 13)