

CHAPTER 17**CONSUMER LOAN ACT REGULATIONS****Authority**

N.J.S.A. 17:10-23.

Source and Effective Date

R.1991 d.354, effective June 13, 1991.
See: 23 N.J.R. 1234(a), 23 N.J.R. 2121(a).

Executive Order No. 66(1978) Expiration Date

Chapter 17, Consumer Loan Act Regulations, will expire on June 13, 1996.

Chapter Historical Note

All provisions of this chapter were adopted by the Commissioner of Banking pursuant to authority delegated at N.J.S.A. 17:10-23. Amendments became effective June 2, 1975 as R.1975 d.147. See: 7 N.J.R. 192(a), 7 N.J.R. 291(c). Further amendments became effective August 26, 1977 as R.1977 d.330. See: 9 N.J.R. 452(c). Subchapter 7 became effective July 9, 1981 as R.1981 d.257. See: 13 N.J.R. 115(e), 13 N.J.R. 384(a). Further amendments became effective November 2, 1981 as R.1981 d.430. See: 13 N.J.R. 471(b), 13 N.J.R. 754(a). Further amendments became effective April 18, 1983 as R.1983 d.120. See: 15 N.J.R. 111(a), 15 N.J.R. 622(b). Further amendments became effective September 16, 1985 as R.1985 d.486. See: 17 N.J.R. 1703(a), 17 N.J.R. 2247(b). This chapter was readopted pursuant to Executive Order 66(1978) effective June 18, 1986 as R.1986 d.277. See: 18 N.J.R. 1021(a), 18 N.J.R. 1453(b). Pursuant to Executive Order No. 66(1978), Chapter 17 was readopted as R.1991 d.354. See: Source and Effective Date.

See section annotations for specific rulemaking activity.

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SUBCHAPTER 1. ADVERTISING**3:17-1.1 Definition of advertisement**

For purposes of this subchapter, "advertisement" means any announcement, statement, assertion, or representation which is placed before the public in a newspaper, magazine, or other publication or in the form of a notice, circular, pamphlet, letter or poster or over any radio or television station or in any other way.

New Rule, R.1991 d.329, effective July 1, 1991.
See: 23 N.J.R. 931(a), 23 N.J.R. 2031(a).

3:17-1.2 Availability of advertising copy

Advertising copy and radio and television commercials shall be available to the Commissioner upon request at any time within two years from the date of use.

Amended by R.1991 d.354, effective July 15, 1991.
See: 23 N.J.R. 1234(a), 23 N.J.R. 2121(a).
Record retention changed from 6 months to 2 years.

Statutory References

N.J.S.A. 17:10-12 and 13

3:17-1.3 Multiple office operations

Licensees having multiple office operations under the same management or control whose advertisements embody more than one corporate title may omit the portion of the title which distinguishes the several corporations participating in such multiple advertising.

Statutory References

N.J.S.A. 17:10-13

3:17-1.4 Insurance of collateral

When a licensee requires a borrower to insure the collateral assigned as security for a loan, no licensee shall make any statement nor insert in any advertisement "no other costs" or similar words unless the advertisement clearly states that such costs, charges or insurance is required.

Statutory References

N.J.S.A. 17:10-13 and 14

3:17-1.5 Certain types of advertising prohibited

(a) The following types of advertisements are prohibited on the ground that they are deceptive or misleading, or negatively affect the public's confidence in the licensee or financial institutions in general:

1. The placing by licensee of tags or other advertising material on automobiles, in public or semipublic places, or the house-to-house issuance of circulars, handbills or any other similar types of advertising; and
2. The advertisement by use of a negotiable check, money order, draft or other instrument which may be used for the transfer of funds, unless:
 - i. The licensee sends this type of solicitation only to current or prior customers of the licensee, including customers of consumer credit affiliates of the licensee;
 - ii. Each such solicitation allows the customer an option not to receive future solicitations of this type;
 - iii. The instrument is negotiable for not more than six months, and the consumer is advised to destroy the instrument if it is not going to be negotiated; and
 - iv. The solicitation prominently contains the following statement in 10-point print: "THIS IS A SOLICITATION FOR A LOAN—READ THE ENCLOSED DISCLOSURES BEFORE SIGNING THIS CHECK!"

Amended by R.1991 d.329, effective July 1, 1991.
See: 23 N.J.R. 931(a), 23 N.J.R. 2031(a).

Recodified from 1.4 and added restrictions on the advertisement by use of check, money order, draft and other instruments that may be used for the transfer of funds.

Statutory References

N.J.S.A. 17:10-13

SUBCHAPTER 2. APPLICATIONS FOR LICENSES**3:17-2.1 Requirements**

(a) An applicant for a consumer loan license shall include with the completed application form a non-refundable application fee of \$250.00.

(b) In addition to the application fee, the applicant shall pay to the Department an investigation fee of \$300.00. The applicant shall also pay this investigation fee when applying to change location of a place of business within the same municipality in accordance with N.J.S.A. 17:10-8.

Emergency repeal and new rule, R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Changes made to conform to the Consumer Loan Act.

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989.

See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

Statutory References

N.J.S.A. 17:10-3

3:17-2.2 Number of applications allowed

(a) The Department will not accept for filing more than one application for a license by any applicant or affiliated applicants for an original or newly created location within a single 90-day period.

(b) When the Commissioner denies an application, the applicant may not reapply for at least six months from the date of the denial.

Emergency amendment, R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Filing requirements added at new (b).

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989.

See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

Statutory References

N.J.S.A. 17:10-3

SUBCHAPTER 3. BOOKS AND RECORDS**3:17-3.1 Loan number**

Each loan made shall have its proper consecutive or individual number and all instruments evidencing or securing any loan must bear the respective loan number.

Statutory References

N.J.S.A. 17:10-12

3:17-3.2 Original notes and material

An envelope or other file must be maintained in which shall be filed all the original notes, security agreements or other evidences of indebtedness or security, which have been signed by the borrower.

Statutory References

N.J.S.A. 17:10-12

3:17-3.3 Index

An index of all borrowers, comakers, endorsers, guarantors or sureties shall be maintained. Such index shall be alphabetical, showing the name of the borrower, loan number, date of loan and amount of loan.

Statutory References

N.J.S.A. 17:10-12

3:17-3.4 Maintenance of general ledger

(a) Companies operating more than one licensed office may maintain the general ledger at their home office, providing the trial balance or balance sheet and profit and loss statement of the licensed office are available to the examiner at the licensed office upon request.

(b) A licensee may keep its consumer loan records at either a licensed site located in a state other than this State, or an unlicensed site located in this State, provided that, in either instance, the licensee secures the prior approval of the Department of Banking. The approval of the Department will be given only if the licensee enters into an agreement with the Department governing keeping records at the site. The provisions of the agreement shall include, but shall not be limited to the designation of the site where the records will be maintained, the fees and expenses chargeable by the Department for conducting examinations, and the right of the Department to rescind the agreement.

Amended by R.1991 d.362, effective July 15, 1991.

See: 23 N.J.R. 803(a), 23 N.J.R. 2122(a).

Added (b), allowing licensees to keep records at licensed sites outside of this State or unlicensed sites inside the State if they have entered into an agreement with the Department.

Statutory References

N.J.S.A. 17:10-12

3:17-3.5 Nonjudicial foreclosure records

In cases of nonjudicial foreclosures of security, records of such foreclosures and sales must be kept for at least two years.

Statutory References

N.J.S.A. 17:10-12

3:17-3.6 Judgment notes

(a) When a note has been reduced to judgment, the files of the licensee must contain the following information:

1. Date of judgment;
2. Judgment debtor's name and address;
3. Date suit filed;
4. Nature of the suit;
5. Name and location of the court;
6. Amount of judgment, showing the separate items comprised in the judgment as follows:
 - i. Principal;
 - ii. Interest;
 - iii. Attorney's fees;
 - iv. Court cost (itemized);
 - v. Total amount of judgment.
7. A description of the legal procedures followed to enforce the judgment.

Statutory References

N.J.S.A. 17:10-12

3:17-3.7 Motor vehicle liens

Whenever a loan is secured by a lien on a motor vehicle, it shall be the responsibility of the licensee to see that the title to the motor vehicle is in the name of the borrower. If the motor vehicle used as security is the property of a comaker, surety or guarantor, then the title of such motor vehicle shall be in the name of the comaker, surety or guarantor.

Statutory References

N.J.S.A. 17:10-12

3:17-3.8 (Reserved)

Repealed by R.1991 d.354, effective July 15, 1991.

See: 23 N.J.R. 1234(a), 23 N.J.R.

Formerly rules regarding acceptance of equivalent records by Commissioner.

3:17-3.9 Examinations

The Department may, at any time and as often as the Commissioner deems necessary, investigate the loans and business and examine the books, accounts, records, and files used therein, of every licensee and of every person, copartnership, association, and corporation engaged in the consumer loan business. The entity examined shall pay to the

Commissioner the actual cost of the examination on a per diem basis.

Emergency new rule, R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989. See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

SUBCHAPTER 4. GENERAL

3:17-4.1 Copies of papers signed by borrower

On request, a borrower shall be given a copy of every paper he is required to sign.

Statutory References

N.J.S.A. 17:10-15

3:17-4.2 Blank forms; dispersal

No licensee shall permit a supply of blank notes, chattel mortgages, security agreements, applications or other forms to be placed in any store, office, salesroom or at any place of business other than that designated in the license.

Statutory References

N.J.S.A. 17:10-13

3:17-4.3 Solicitation of business

No licensee shall endeavor to solicit any business through any person, firm or corporation by paying or offering to pay, either directly or indirectly, for any such business recommended to the licensee by any such person, firm or corporation.

Statutory References

N.J.S.A. 17:10-13

3:17-4.4 (Reserved)

Historical Note

This section contained material concerning authorization to engage in the secondary mortgage loan business, and was repealed by R.1981 d.257, effective July 9, 1981. See: 13 N.J.R. 115(e), 13 N.J.R. 384(a).

SUBCHAPTER 5. INSURANCE

3:17-5.1 Purchase of insurance policy

No borrower shall be required to purchase any policy of insurance from any certain company, agent, broker or person as a condition precedent to a loan.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.2 Licensee's responsibility to borrower

It shall be the licensee's responsibility to explain clearly to each borrower the benefits and limitations of the credit life or health or disability insurance coverage.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.3 Authorized insurance companies

No insurance shall be sold in connection with a loan except with insurance companies duly authorized to do business in this State.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.4 Records of insurance

Every licensee shall keep a record of all credit life or health or disability insurance written, premiums collected, refunds of the unearned premiums caused by payment in full of an amount or by renewal and a detailed record of all claims paid by the insurer.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.5 Refund of insurance charges

When a loan contract is repaid in full or renewed, the borrower shall receive a refund of the insurance charges. The required refund shall be computed by the "Sum of the Digits Method" commonly known as the "Rule of 78ths". When the refund of the insurance charges is less than \$1.00, no refund is required.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.6 Insurance termination

In the event of termination of the insurance prior to the scheduled maturity date of the indebtedness, any refund due of premium shall be credited promptly to the borrower's account.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.7 Ineffective insurance

If the creditor collects a payment from a debtor for credit life or health or disability insurance and such insurance does not become effective, the creditor shall immediately give written notice to such debtor and shall promptly refund to or credit to the account of the debtor the amount collected from him or charged to him for such insurance.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.8 Secondary beneficiary

If the policy contains no provision for a designation of a second beneficiary, then it shall be handled under the usual procedure contained in a facility of payment clause authorizing the insurance company to pay any insurance in excess of the unpaid balance of the indebtedness to the estate, wife, husband, children or other blood relative or person equitably entitled thereto as determined by the insurance company.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.9 Death claims

When a loan contract contains credit life insurance, every licensee shall file a death claim with the insurer upon receipt of notice of the death of an insured.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.10 Interest at death

Where applicable, the interest charges accruing on the account of a deceased borrower shall cease at the death of an insured.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.11 Unlocatable borrowers

After a reasonable time not exceeding six months, if a licensee is unable to locate a borrower who is due a rebate of unearned credit life or health or disability insurance premiums when an account is repaid in full or a beneficiary named in a policy under a claim, any excess moneys are to be returned to the insurer, stating the reason therefor and the file of the borrower so noted.

Amended by R.1991 d.354, effective July 15, 1991.
See: 23 N.J.R. 1234(a), 23 N.J.R. 2121(a).

Established limit of six months regarding what constitutes a reasonable time.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.12 Determination of obligor

For the purpose of this Section, if more than one person is liable for the payment of the loan contract, unless stated in the policy, the person whose signature appears on the first line of the lines provided for the signatures on the loan contract shall be considered as the obligor under the terms of the credit life or health or disability insurance policy.

Statutory References

N.J.S.A. 17:10-14.1

3:17-5.13 Amount of death claims payable

Death claims should be made by the licensee to the insurer in the exact amount of coverage at death of the debtor for which a premium has been paid to the insurer.

Statutory References

N.J.S.A. 17:10-14.1

SUBCHAPTER 6. LOANS**3:17-6.1 Maximum term of loan**

(a) No loan in an amount of \$1,000 or less shall be made for a greater period of time than 36 months and 15 days.

(b) No loan in an amount in excess of \$1,000 but not exceeding \$2,500, shall be made for a greater period of time than 48 months and 15 days.

(c) No loan in an amount in excess of \$2,500, shall be made for a greater period of time than 60 months and 15 days.

As amended, R.1975 d.147, eff. June 2, 1975.

See: 7 N.J.R. 192(a), 7 N.J.R. 291(c).

Emergency amendment, R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Loan amount limited to a maximum of \$2,500 and time-limited to a maximum of 60 months and 15 days.

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989.
See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

Statutory References

N.J.S.A. 17:10-14

3:17-6.2 Monthly installment

All loans except variable rate loans permitted pursuant to N.J.S.A. 17:10-14, shall be repaid in substantially equal monthly installments of principal and interest computed on

unpaid balances sufficient to liquidate the principal thereof, except as provided in N.J.A.C. 3:17-6.3.

Emergency amendment, R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Exception for variable rate loans added.

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989.

See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

Statutory References

N.J.S.A. 17:10-14

3:17-6.3 Fixing date of first installment

In fixing the date of the first installment beyond one month, the number of days in excess of one month, but not in excess of 15 days, shall be counted after the expiration of one month from the date of the loan. The amount of the first installment may be increased by the amount of interest for the number of days in excess of one month.

Statutory References

N.J.S.A. 17:10-14

3:17-6.4 (Reserved)

As amended, R.1975 d.147, eff. June 2, 1975.

See: 7 N.J.R. 192(a), 7 N.J.R. 291(c).

As amended, R.1977 d.330, eff. August 26, 1977.

See: 9 N.J.R. 452(c).

3:17-6.5 Granting of additional loans

A licensee shall not knowingly grant a loan in one office to any borrower who already has a loan in another office operated by the same entity or by an affiliate, parent, subsidiary or under the same ownership, management or control, whether partial or complete.

Statutory References

N.J.S.A. 17:10-13

3:17-6.6 Reduction of interest to usury rate

When a licensee knows or has reason to know that the proceeds of loan of \$15,000 or less are to be delivered by the borrower to an individual already indebted to such licensee on a loan of \$15,000 or less, then such loans shall be construed as a single loan to such individual for the purpose of interest computations, and if the aggregate of such loans ever exceeds \$15,000, interest on such accounts shall be restricted to the rate authorized by Title 31, the Interest and Usury Law, and the rules and regulations promulgated by the commissioner pursuant thereto, on unpaid principal balances from the date such excess occurred.

As amended, R.1975 d.147, eff. June 2, 1975.

See: 7 N.J.R. 192(a), 7 N.J.R. 291(c).

Emergency amendment, R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Limits of loan raised from \$2,500 to \$15,000.

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989.

See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

Statutory References

N.J.S.A. 17:10-14

3:17-6.7 Accounts turned over to attorneys for collection

Whenever a licensee has placed an account in the hands of an attorney or other agent for collection, all payments thereafter received by the licensee or by such attorney or agent, prior to entry of judgment on such account, shall be credited by the licensee to the account as of the date of receipt of such payment to the licensee or to such attorney or agent, and any such attorney or agent shall notify the licensee of the day any such payment is received.

Statutory References

N.J.S.A. 17:10-15

3:17-6.8 Out-of-State loans

All out-of-State loans purchased shall be reported as a separate item in the licensee's annual report to the Commissioner.

Statutory References

N.J.S.A. 17:10-12

3:17-6.9 Information concerning interest

The required information concerning the amount of interest payable over the term of the loan shall be given on the assumption that the contract will be paid in accordance with the terms originally agreed upon. A variance tolerance of \$1.00 in the total amount of interest set forth in the loan contract is hereby authorized.

Statutory References

N.J.S.A. 17:10-14

3:17-6.10 Payment on installment loans

(a) Notwithstanding the provisions of N.J.S.A. 31:1-1 or any other law to the contrary, a licensee may loan any sum of money not exceeding \$15,000, repayable in installments, and may charge, contract for and receive thereon interest at an annual percentage rate or rates agreed to by the licensee and the borrower not exceeding the limits set in N.J.S.A. 2C:21-19.

(b) A licensee may not charge or receive interest in advance. A licensee shall not compound interest and may compute interest only on unpaid principal balances.

(c) For the purpose of computing interest, a licensee shall apply all installment payments on the date of receipt, and shall charge interest for the actual number of days elapsed at the daily rate of 1/365 of the yearly rate.

As amended, R.1975 d.147, eff. June 2, 1975.

See: 7 N.J.R. 192(a), 7 N.J.R. 291(c).

Emergency amendment (repeal and new rule), R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Deletion of all text regarding specific computation of interest and addition of text allowing a loan ceiling of \$15,000 and method of computation and charging of interest.

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989.

See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

Amended by R.1991 d.354, effective July 15, 1991.

See: 23 N.J.R. 1234(a), 23 N.J.R. 2121(a).

Requires that a licensee apply all installment payments on the date of receipt, not on the next day.

SUBCHAPTER 7. OTHER BUSINESS

3:17-7.1 Permissible other businesses

(a) A licensee may engage in certain other types of business as permitted in this subchapter. Such other types of business may be conducted by the licensee in the same office, room or place of business where the licensee conducts the business of making loans under the Consumer Loan Act.

(b) Upon obtaining any necessary license or authorization, a licensee may engage in the following other types of businesses:

1. The secondary mortgage loan business. Any such business shall be conducted in accordance with the provisions of N.J.S.A. 17:11A-34 et seq., the Secondary Mortgage Loan Act;

2. The sales finance company business. Any such business shall be conducted in accordance with the provisions of N.J.S.A. 17:16C-1 et seq., the Retail Installment Sales Act of 1960;

3. The home financing agency business. Any such business shall be conducted in accordance with the provisions of N.J.S.A. 17:16C-62 et seq., the Home Repair Financing Act;

4. The insurance premium finance company business. Any such business shall be conducted in accordance with the provisions of N.J.S.A. 17:16D-1 et seq., the Insurance Premium Finance Company Act;

5. The making of business or commercial loans;

6. The financing of installment contracts involving the time sale of goods or services which are to be utilized by the buyer for business or commercial purposes;

7. The leasing of personal property for business or commercial purposes;

8. Income tax preparation service;

9. First lien loans on real property;

i. Any such business shall be conducted in accordance with the provisions of N.J.S.A. 31:1-1 et seq., N.J.A.C. 3:1 or Section 501, et seq., of the Federal Depository Institutions Deregulation and Monetary Control Act of 1980.

10. Purchase of owner originated second mortgages: A licensee may purchase owner originated second mortgages under such terms and conditions as may be agreed to between the licensee and the mortgagee.

11. The mortgage bankers and brokers business. Any such business shall be conducted in accordance with the provisions of N.J.S.A. 17:11B-1 et seq., the Mortgage Bankers and Brokers Act.

12. Such other business as the Commissioner may deem appropriate and for which specific approval is obtained pursuant to N.J.A.C. 3:17-7.3.

As amended, R.1981 d.430, eff. November 2, 1981.

See: 13 N.J.R. 471(b), 13 N.J.R. 754(a).

New (b)9 and 9i added; old (b)9 renumbered as 10.

As amended, R.1983 d.120, effective April 18, 1983.

See: 15 N.J.R. 111(a), 15 N.J.R. 622(b).

In (b) added new 10. Renumbered old 10 as new 11.

Amended by R.1985 d.486, effective September 16, 1985.

See: 17 N.J.R. 1703(a), 17 N.J.R. 2247(b).

(b)11 added; old (b)11 renumbered to (b)12.

Emergency amendment, R.1989 d.408, effective July 3, 1989 (expires September 1, 1989).

See: 21 N.J.R. 2399(a).

Small loan changed to consumer loan.

Adopted concurrent proposal, R.1989 d.511, effective August 31, 1989.

See: 21 N.J.R. 2399(a), 21 N.J.R. 3083(a).

Provisions of emergency amendment R.1989 d.408 readopted without change.

Amended by R.1991 d.354, effective July 15, 1991.

See: 23 N.J.R. 1234(a), 23 N.J.R. 2121(a).

Corrected internal citation.

3:17-7.2 Separation of books and records

The books, accounts and records which pertain to each of the business activities specified in N.J.A.C. 3:17-7.1 conducted by a licensee shall be maintained so as to be readily separated and distinguished from the books, accounts and records associated with the licensee's consumer loan business.

Amended by R.1991 d.354, effective July 15, 1991.

See: 23 N.J.R. 1234(a), 23 N.J.R. 2121(a).

(b) repealed and term "small loan" corrected as "consumer loan".

3:17-7.3 Procedure for obtaining approval

(a) Commencing 60 days from the effective date of this subchapter, no small loan licensee may conduct any business activity other than the business of making small loans, except those businesses specifically permitted by N.J.A.C. 3:17-7.1(b)1 through 11, without approval from the Commissioner obtained as specified in this section. Prior to commencing the conduct of any of the other business activities permitted by N.J.A.C. 3:17-7.1(b)12, a small loan licensee shall notify the Commissioner of its intention to do so. Such notice shall contain a detailed description of the proposed activity and a statement of the perceived public need for such activity. Within 30 days from the date of the Commissioner's Notice of Acceptance to the small loan licensee, if the Commissioner does not disapprove of that activity, the activity shall be deemed approved.

(b) Small loan licensees who have obtained, prior to the effective date of this subchapter, approval from the Commissioner to conduct businesses other than those specified in N.J.A.C. 3:17-7.1(b) must, within 60 days from the effective date of this subchapter, obtain approval as specified in this section.

As amended, R.1981 d.430, eff. November 2, 1981.

See: 13 N.J.R. 471(b), 13 N.J.R. 754(a).

(a): N.J.A.C. 3:17-7.1(b)1 through "9" was "8" and N.J.A.C. 3:17-7.1(b) "10" was "9".

Amended by R.1985 d.486, effective September 16, 1985.

See: 17 N.J.R. 1703(a), 17 N.J.R. 2247(b).

Cross reference to N.J.A.C. 3:17-7.1(b) corrected to reflect changes in amendment.

3:17-7.4 Suspensions or revocation of authority

The Commissioner may, by written directive and after the licensee has had an opportunity to be heard, suspend or revoke a licensee's authority to engage in any of the business activities specified in N.J.A.C. 3:17-7.1 if it is determined that the licensee has violated any of the conditions heretofore set forth or has otherwise demonstrated unfitness to be so authorized.