

155-2-2-.01 Licensing - Alabama Consumer Credit Act

(1) The provisions of the Alabama Consumer Credit Act require that a license for each proposed location be obtained from the State Banking Department - Supervisor of the Bureau of Loans prior to engaging in the business of making consumer loans or taking assignments of consumer credit contracts unless otherwise exempt from licensing.

(2) A license is required for each location of an Automated Loan Machine (ALM) where the application, approval, closing and issuance of a check takes place while the applicant is at the ALM.

(3) The exemption as to licensing contained in Section 5-19-22(a) for banks chartered by this state or any other state, banks chartered by the United States, trust companies, savings or building and loan associations, savings banks, and other thrift institutions, credit unions, and life insurance companies shall not apply to consumer finance subsidiaries of those exempt entities.

(4) Prior to the issuance of a license, the applicant shall have executed and submitted a license application in the form prescribed by the Supervisor and shall include, upon request, additional information, statements and representations as may be required to enable the Supervisor to make the determination as to issuance or denial of license.

(5) Prior to the issuance of a license, the applicant shall have submitted satisfactory evidence that it has tangible net worth/capital of not less than \$25,000.00 available for the operation of the business under the Alabama Consumer Credit Act.

(6) Prior to the issuance of a license, the applicant shall have tendered the investigation fee and the license fee as required by the Alabama Consumer Credit Act to the Supervisor simultaneously with the filing of the license application. Separate checks for each fee are required and each should be payable to the State Banking Department.

(7) A licensee shall notify and submit the license issued by the Department to the Supervisor within thirty (30) days of the closing of a licensed office.

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Statutory Authority: Code of Alabama 1975, §5-19-21, §5-19-22
History: Effective October 1, 1997; Amended January 1, 2020