

**WEST VIRGINIA**  
**SECRETARY OF STATE**  
KEN HECHLER  
**ADMINISTRATIVE LAW DIVISION**

Form #6

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FILED

1992 APR 22 AM 7:45

OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED  
BY THE WEST VIRGINIA LEGISLATURE.**

AGENCY: West Virginia Division of Banking TITLE NUMBER: 106

AMENDMENT TO AN EXISTING RULE: YES , NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 5

TITLE OF RULE BEING AMENDED: Regulations Pertaining to the  
West Virginia Industrial Bank and Industrial Loan Company Act.

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: \_\_\_\_\_

TITLE OF RULE BEING PROPOSED: \_\_\_\_\_

THE ABOVE RULE HAS BEEN AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AUTHORIZATION IS CITED IN (house or senate bill number) S.B. 1

SECTION 64-3-2(i), PASSED ON March 14, 1992

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON  
THE FOLLOWING DATE: April 24, 1992

Sharon S. Bias

106 CSR 5

TITLE 106  
LEGISLATIVE RULES  
COMMISSIONER OF BANKING

SERIES 5  
REGULATIONS PERTAINING TO THE WEST VIRGINIA  
INDUSTRIAL BANK AND INDUSTRIAL LOAN COMPANY ACT

§106-5-1. General.

1.1. Scope. -- These regulations establish general rules implementing and supplementing the West Virginia Industrial Bank and Industrial Loan Company Act.

1.2. Authority. -- W.Va. Code §31A-2-4(c)(11)

1.3. Filing Date --

1.4. Effective Date. --

1.5. Repeal and Replace 106 CSR 5

§106-5-2. Regulations of industrial loan companies and industrial banks.

2.1. Loan finance charges.

With respect to a consumer loan, other than a consumer loan made pursuant to a revolving loan account, an industrial loan company or an industrial bank may contract for and receive a loan finance charge not exceeding the aggregate of twenty-one percent (21%) of the first five thousand dollars (\$5,000) as permitted in W. Va. Code 31-7-11(a)(5), plus the interest and charges permitted by W. Va. Code 31A-4-30a, or W. Va. Code 47-6-5(a) and (b), or by W. Va. Code 46A-3-104, on those amounts exceeding five thousand dollars (\$5,000) plus the fee permitted in W. Va. Code 31-7-11(a)(6).

2.2. Advertising.

(a) No industrial loan company or industrial bank shall advertise, in any manner, that a loan of a prospective borrower with another lender will be paid or increased if the loan is transferred to the advertising institution.

(b) No industrial loan company or industrial bank shall make reference to supervision or control by the state, the Attorney General, the Commissioner of Banking, the Division of Banking, or any other state agency, in any advertising.

(c) No industrial loan company or industrial bank shall advertise in any manner that may tend to confuse the identity of the advertising institution with any other unrelated financial organization or loan company.

(d) Each industrial loan company and industrial bank shall retain a copy of all advertising for a period of two (2) years from the date of its use.

0 2. 27

Bill Banking, Industrial 106-5

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H. B. 4260

(By Delegate Grubb)  
(Introduced January 27, 1992; referred to the  
Committee on Banking and Insurance then the  
Judiciary)

10 A BILL to amend and reenact section two, article three, chapter  
11 sixty-four of the code of West Virginia, one thousand nine  
12 hundred thirty-one, as amended, relating to authorizing the  
13 division of banking to promulgate legislative rules relating  
14 to the West Virginia industrial bank and industrial loan  
15 company act.

16 Be it enacted by the Legislature of West Virginia:

17 That section two, article three, chapter sixty-four of the  
18 code of West Virginia, one thousand nine hundred thirty-one, as  
19 amended, be amended and reenacted, to read as follows:

20 ARTICLE 3. AUTHORIZATION FOR DEPARTMENT OF COMMERCE, LABOR AND  
21 ENVIRONMENTAL RESOURCES TO PROMULGATE LEGISLATIVE RULES.

22 §64-3-2. Division of banking.

23 (a) The legislative rules filed in the state register on the  
24 eleventh day of June, one thousand nine hundred eighty-two,

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1 relating to commissioner of banking (communication terminals and  
2 interchange systems), are authorized.

3 (b) The legislative rules filed in the state register on the  
4 fifteenth day of December, one thousand nine hundred  
5 eighty-three, relating to the commissioner of banking (consumer  
6 credit sales), are authorized.

7 (c) The legislative rules filed in the state register on the  
8 nineteenth day of August, one thousand nine hundred eighty-three,  
9 relating to the commissioner of banking (legal lending limit),  
10 are authorized.

11 (d) The legislative rules filed in the state register on the  
12 seventh day of November, one thousand nine hundred eighty-six,  
13 modified by the commissioner of banking to meet the objections of  
14 the legislative rule-making review committee and refiled in the  
15 state register on the eleventh day of December, one thousand nine  
16 hundred eighty-six, relating to the commissioner of banking  
17 (implementing the West Virginia community reinvestment act), are  
18 authorized.

19 (e) The legislative rules filed in the state register on the  
20 twenty-fifth day of October, one thousand nine hundred  
21 eighty-eight, modified by the commissioner of banking to meet the  
22 objections of the legislative rule-making review committee and  
23 refiled in the state register on the seventh day of December, one  
24 thousand nine hundred eighty-eight, relating to the commissioner

1 of banking (subsidiary bank holding the stock of its parent  
2 company as collateral), are authorized.

3 (f) The legislative rules filed in the state register on the  
4 twelfth day of August, one thousand nine hundred ninety-one,  
5 modified by the division of banking to meet the objections of the  
6 legislative rule-making review committee and refiled in the state  
7 register on the fifteenth day of November, one thousand nine  
8 hundred ninety-one, relating to the division of banking (West  
9 Virginia industrial bank and industrial loan company act), are  
10 authorized.

11  
12 NOTE: The purpose of this bill is to authorize the Division  
13 of Banking to promulgate legislative rules relating to the West  
14 Virginia Industrial Bank and Industrial Loan Company Act.  
15  
16 ~~Strike-throughs~~ indicate language that would be stricken from  
17 the present law, and underscoring indicates new language that  
18 would be added.



KEN HECHLER  
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(Plus all the volunteer  
help we can get)

STATE OF WEST VIRGINIA  
SECRETARY OF STATE  
Building 1, Suite 157-K  
1900 Kanawha Blvd., East  
Charleston, WV 25305-0770

TO: Rick Lancianese

AGENCY: Banking

FROM: JUDY COOPER, DIRECTOR, ADMINISTRATIVE LAW DIVISION

DATE: December 11, 1992

THE ATTACHED RULE FILED BY YOUR AGENCY HAS BEEN ENTERED INTO OUR COMPUTER SYSTEM. PLEASE REVIEW, PROOF AND RETURN IT WITH ANY CORRECTIONS. IF THERE ARE NO CORRECTIONS, PLEASE SIGN THIS MEMO AND RETURN IT TO THIS OFFICE. YOU WILL BE SENT A FINAL VERSION OF THE RULE FOR YOUR RECORDS.

PLEASE RETURN EITHER THE CORRECTED RULE OR THIS FORM WITHIN TEN (10) WORKING DAYS OF THE DATE YOU RECEIVED THIS REQUEST. CALL IF YOU HAVE ANY QUESTIONS.

SERIES: 51 TITLE: 106 Banking

\* THE ATTACHED RULE HAS BEEN REVIEWED AND IS CORRECT.

SIGNED: Rick Lancianese

TITLE OF PERSON SIGNING: Deputy Commissioner General Counsel

DATE: 12-15-92

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\* THE ATTACHED RULE HAS BEEN REVIEWED AND NEEDS CORRECTING. THE CORRECTIONS HAVE BEEN MARKED.

SIGNED: \_\_\_\_\_

TITLE OF PERSON SIGNING: \_\_\_\_\_

DATE: \_\_\_\_\_

NOTE: IF YOU ARE NOT THE PERSON WHO HANDLES THIS RULE, PLEASE FORWARD TO THE CORRECT PERSON.