





**DIVISION OF BANKING**

Building #3, Room 311 • State Capitol Complex • 1900 Kanawha Blvd., East • Charleston, WV 25305-0240 • (304) 558-2294  
FAX: (304) 558-0442

**CONSENT TO FILE RULE**

July 19, 1996

TO WHOM IT MAY CONCERN:

Title of Rule: Rules Pertaining to the West Virginia Industrial Loan Company Act

Title Number: 106

Series Number: 5

Pursuant to West Virginia Code §§ 5F-2-2(a) and 64-7-4(c), the undersigned hereby consents to the filing of the foregoing rule so as to entirely delete and repeal the present rule.

Signed this 19 day of July, 1996.

  
\_\_\_\_\_  
James H. Faige III  
Secretary of Tax & Revenue



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### COMMISSIONER OF BANKING RULES PERTAINING TO THE WEST VIRGINIA INDUSTRIAL LOAN COMPANY ACT 106 CSR 5

#### Summary of Proposed Rules

The proposed amendments to repeal this legislative rule are offered due to amendments to the West Virginia Code which eliminate separate licensing requirements for supervised and industrial loan companies by combining them into one new Regulated Consumer Lender (RCL) license. The act repealed Chapter 31, Article 7 of the West Virginia Code relating to Industrial Loan Companies. [See W. Va. § 46A-4-101 et seq.]

This rule dealt with loan finance charges and advertising by industrial loan company licensees. These entities are now licensed as regulated consumer lenders, and the loan finance charges are now set forth in article four of the West Virginia Code. The advertising restrictions will be covered in amendments to 106 CSR §4. Thus the need for the rule is obviated and it is being wholly deleted.



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### COMMISSIONER OF BANKING RULES PERTAINING TO THE WEST VIRGINIA INDUSTRIAL LOAN COMPANY ACT 106 CSR 5

#### Statement of Circumstances

The proposed amendments to repeal this legislative rule are in response to amendments to the West Virginia Code which eliminate separate licensing requirements for supervised and industrial loan companies by combining them into one new Regulated Consumer Lender (RCL) license. The act repealed Chapter 31, Article 7 of the West Virginia Code relating to Industrial Loan Companies. [See W. Va. § 46A-4-101 et seq.]. The matters dealt with in the rule are covered under the new statutory provisions and by amendments to rule series four, CSR, title 106.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Rules Pertaining to the West Virginia Industrial Loan Company Act  
[106 CSR 5]

Type of Rule:  Legislative  Interpretive  Procedural

Agency: West Virginia Division of Banking

Address: State Capitol Complex

Building 3, Room 311

Charleston, West Virginia 25305-0240

1. Effect of Proposed Rule:

	ANNUAL		FISCAL YEAR		
	INCREASE	DECREASE	CURRENT	NEXT	THEREAFTER
ESTIMATED TOTAL COST	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PERSONAL SERVICES	0	0	0	0	0
CURRENT EXPENSES	0	0	0	0	0
REPAIRS & ALTERATIONS	0	0	0	0	0
EQUIPMENT	0	0	0	0	0
OTHER	0	0	0	0	0

2. Explanation of above estimates:

The deletion of the rule merely conforms it to the statute as amended.

3. Objectives of these rules:

To delete the rule as its need is obviated by statutory amendments.

Rule Title: Rules Pertaining to the West Virginia Industrial Loan Company Act

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government:

None.

B. Economic Impact on Political Subdivisions; Specific Industries;  
Specific Groups of Citizens:

None.

C. Economic Impact on Citizens / Public at Large:

None.

Date: July 19, 1996

Signature of Agency Head or Authorized Representative:

Sharon L. B.

~~TITLE 106  
LEGISLATIVE RULE  
WEST VIRGINIA DIVISION OF BANKING~~

~~SERIES 5  
RULES PERTAINING TO THE WEST VIRGINIA  
INDUSTRIAL LOAN COMPANY ACT~~

FILED  
JUL 19 3 50 PM '96  
OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

~~§106-5-1. General.~~

~~1.1. Scope. This rule establishes general provisions implementing and supplementing the West Virginia Industrial Loan Company Act.~~

~~1.2. Authority. W. Va. Code §§31A-2-4(c)(11) and 31-7-26.~~

~~1.3. Filing Date. April 4, 1996~~

~~1.4. Effective Date. May 1, 1996~~

~~§106-5-2. Regulations of Industrial Loan Companies.~~

~~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 may contract for and receive a loan finance charge 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, or as otherwise provided by order of the West Virginia Lending and Credit Rate Board pursuant to W. Va. Code § 47A-1-1 et seq. The finance charge may include the loan investigation fee permitted in W. Va. Code §31-7-11(a)(3).~~

~~2.2. Advertising.~~

~~(a) No industrial loan company 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 industrial loan company.~~

~~(b) No industrial loan company 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 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 shall retain a copy of all advertising for a period of two (2) years from the date of its use.~~