

This is an amendment to 12.18.4 NMAC Sections 1,8, effective 08/13/2004.

12.18.4.1 ISSUING AGENCY: Financial Institutions Division of the Regulation and Licensing Department [~~725 St. Michaels Drive, Santa Fe, New Mexico 87504. Telephone (505) 827-7100~~].
[12.18.4.1 NMAC - N, 10/1/2001]

12.18.4.8 MANDATORY SIGNAGE FOR PAYDAY LENDERS AND TITLE LOAN COMPANIES

A. All Title and Payday loan companies must display in each licensed place of business a prominent sign, readily visible to borrowers, disclosing the schedule of charges. The prominent sign in a reduced form, with font, no smaller than 10-point, must be displayed at every workstation where loans are originated.

B. The lettering on the prominent sign must be no smaller than 24-point font, unless specified otherwise.

C. The sign must state in bold capital letters, the words, "SCHEDULE OF CHARGES".

D. Below the words "schedule of charges", in bold capital letters, the sign shall state, "THE CHART BELOW REPRESENTS ILLUSTRATIVE EXAMPLES OF THE COST OF A LOAN TO THE BORROWER. IF YOU HAVE ANY QUESTIONS, OR WOULD LIKE MORE INFORMATION, PLEASE ASK. MAKE CERTAIN THE QUESTIONS THAT YOU ASK ARE ANSWERED. MAKE CERTAIN YOU UNDERSTAND THE TERMS AND COSTS OF YOUR LOAN."

E. The chart must have the following headings starting from left to right. The borders for the first two headings must be more prominent than the others.

(1) The first heading shall have in bold capital letters the words, "ANNUAL PERCENTAGE RATE (APR)" followed by the words in bold 14-point font, "The cost of your credit as a yearly rate. Assumes a _____ day repayment period." The blank is to be replaced with the actual number of days used for the illustrative Annual Percentage Rate calculation shown on the chart.

(2) The second heading shall have in bold capital letters the words, "FINANCE CHARGE" followed by the words in 14-point font, "The dollar amount the credit will cost you."

(3) The third heading shall have the words, "Amount Financed" followed by the words in 14-point font, "The amount of credit provided to you or on your behalf."

(4) The fourth heading shall have the words, "Total of Payments" followed by the words in 14-point font, "The amount you will have paid after you have made all payments as scheduled."

(5) The fifth heading shall have the words "Number of Payment(s) used in the APR calculation."

F. Below the chart headings, the company must have illustrative examples for each class of loans the company offers.

G. Below the chart in bold capital letters the following words shall appear, "TO REPORT A PROBLEM OR COMPLAINT, YOU MAY WRITE OR CALL _____." The blank shall be filled in with a name, address, and phone number, of the company's problem resolution person.

H. The bottom of the sign shall have the following words, "This business is regulated by the Regulation and Licensing Department, Financial Institutions Division, [~~725 St. Michaels Drive~~] 2550 Cerrillos Road, Santa Fe, New Mexico [~~87504~~] 87505, telephone number (505) [~~827-7100~~] 476-4885".

[12.18.4.8 NMAC - N, 10/1/2001; A, 08/13/2004]