

# TITLE 750

## DEPARTMENT OF FINANCIAL INSTITUTIONS

- Art. 1. UNIFORM CONSUMER CREDIT CODE
- Art. 2. BANKS AND TRUST COMPANIES
- Art. 3. CREDIT UNIONS
- Art. 4. SAVINGS BANKS (*REPEALED*)
- Art. 5. BUILDING AND LOAN ASSOCIATIONS
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- Art. 7. PAWNBROKING
- Art. 8. REPORTING PROCEDURES

*a.m.: 1 IR 393, eff Jul 1, 1978; filed Oct 15, 1980, 2:30 p.m.: 3 IR 2189, eff Jul 1, 1980; filed Apr 20, 1982: 5 IR 1194, eff Jul 1, 1982; filed Apr 11, 1984, 2:45 p.m.: 7 IR 1257, eff Jul 1, 1984; emergency rule filed Apr 25, 1986, 3:40 p.m.: 9 IR 2210, eff Jul 1, 1986; emergency rule filed Sep 5, 1986, 10:05 a.m.: 10 IR 81, eff Sep 5, 1986; filed Jan 6, 1987, 10:10 a.m.: 10 IR 1083; emergency rule filed Mar 28, 1988, 1:37 p.m.: 11 IR 2905, eff Jul 1, 1988; emergency rule filed May 14, 1992, 2:00 p.m.: 15 IR 2267, eff Jul 1, 1992; emergency rule filed Mar 21, 1994, 10:30 a.m.: 17 IR 1917, eff Jul 1, 1994; emergency rule filed Mar 18, 1996, 10:05 a.m.: 19 IR 2092, eff Jul 1, 1996; emergency rule filed Mar 17, 1998, 11:20 a.m.: 21 IR 3026, eff Jul 1, 1998; emergency rule filed Mar 14, 2002, 1:38 p.m.: 25 IR 2540, eff Jul 1, 2002)*

### ARTICLE 1. UNIFORM CONSUMER CREDIT CODE

Rule 1. Dollar Amounts

#### Rule 1. Dollar Amounts

750 IAC 1-1-1 Dollar amounts in consumer credit code

#### 750 IAC 1-1-1 Dollar amounts in consumer credit code

**Authority:** IC 24-4.5-1-106; IC 24-4.5-6-107  
**Affected:** IC 24-4.5

Sec. 1. The dollar amounts in the Indiana uniform consumer credit code which are required to be changed by IC 24-4.5-1-106, as amended, shall, on July 1, 2002, be as set forth in each of the following Indiana uniform consumer credit code sections:

IC 24-4.5 As Amended	Dollar Amounts	Provision Relating To
2-201(7)	960/3,200	Graduated rate scale (sales)
2-201(8)	36	Minimum credit service charge
2-203.5(5)	16	Delinquency charge (sales)
2-407(4)	960/3,200	Security interest (sales or leases)
3-201(7)	36	Minimum loan finance charge
3-203.5(5)	16	Delinquency charge (loans)
3-508(6)	960/3,200	Graduated rate scale (supervised loans)
3-508(6)	36	Minimum loan finance charge
3-510(2)	3,200	Land as security (loans)
3-511(2)	960/3,200	Maximum loan term
4-301(4)	960	Property insurance
5-103(7)	3,200	Deficiency judgment

*(Department of Financial Institutions; Uniform Consumer Credit Reg No. 1, Sec 1; filed Jul 6, 1978, 9:30*

### ARTICLE 2. BANKS AND TRUST COMPANIES

- Rule 1. Surety Bonds (*Repealed*)
- Rule 2. Annual CPA Audits for Banks (*Repealed*)
- Rule 3. Signature Cards (*Repealed*)
- Rule 4. Dormant Charges; Checking and Savings Accounts
- Rule 5. Classification of Securities (*Voided*)
- Rule 6. Floor Plan Inspection Reports (*Repealed*)
- Rule 7. Repossessions and Unearned Discount; Separate General Ledger Accounts (*Repealed*)
- Rule 8. Title Search in Regard to Real Estate Mortgages (*Repealed*)
- Rule 9. Retention of Records (*Voided*)
- Rule 10. Additional Exceptions to Sound Capital Limitation on Obligations; U.S. Government Direct and Agencies (*Repealed*)

#### Rule 1. Surety Bonds (*Repealed*)

*(Repealed by Department of Financial Institutions; filed Jan 15, 1988, 11:00 am: 11 IR 1799)*

#### Rule 2. Annual CPA Audits for Banks (*Repealed*)

*(Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145)*

#### Rule 3. Signature Cards (*Repealed*)

*(Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145)*

#### Rule 4. Dormant Charges; Checking and Savings Accounts

- 750 IAC 2-4-1 Definition of dormant account; notice (*Voided*)
- 750 IAC 2-4-2 Dormant maintenance charges (*Voided*)

**750 IAC 2-4-1 Definition of dormant account; notice (Voided)**

Sec. 1. (Voided by P.L.215-1999, SECTION 17, effective July 1, 1999.)

**750 IAC 2-4-2 Dormant maintenance charges (Voided)**

Sec. 2. (Voided by P.L.63-2001, SECTION 31, effective July 1, 2001. Voided by P.L.134-2001, SECTION 33, effective July 1, 2001.)

**Rule 5. Classification of Securities (Voided)**

NOTE: Voided by P.L.176-1996, SECTION 36, effective July 1, 1996.

**Rule 6. Floor Plan Inspection Reports (Repealed)**  
(Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145)

**Rule 7. Repossessions and Unearned Discount; Separate General Ledger Accounts (Repealed)**  
(Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145)

**Rule 8. Title Search in Regard to Real Estate Mortgages (Repealed)**  
(Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145)

**Rule 9. Retention of Records (Voided)**  
NOTE: Voided by P.L.11-1998, SECTION 25, effective July 1, 1998.

**Rule 10. Additional Exceptions to Sound Capital Limitation on Obligations; U.S. Government Direct and Agencies (Repealed)**  
(Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145)

**ARTICLE 3. CREDIT UNIONS**

- Rule 1. Membership Cards
- Rule 2. Losses
- Rule 3. Reserve Requirements

**Rule 1. Membership Cards**

- 750 IAC 3-1-1 Authority to promulgate rule; purpose of rule
- 750 IAC 3-1-2 Contents and retention of membership card
- 750 IAC 3-1-3 Termination of illegal members; effect on loans

**750 IAC 3-1-1 Authority to promulgate rule; purpose of rule**

Authority: IC 28-1-2-7; IC 28-1-2-8  
Affected: IC 28-7-1-10

Sec. 1. In accordance with the provisions of I.C. 1971 28-1-2-7, the Department of Financial Institutions has caused to be established the following Regulation [750 IAC 3-1]. This regulation [750 IAC 3-1] has been promulgated to specify the minimum information required on membership cards in credit unions. (Department of Financial Institutions; Credit Unions Reg No CU-1, Sec 1; filed May 31, 1977, 9:50 am: Rules and Regs. 1978, p. 323; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)

**750 IAC 3-1-2 Contents and retention of membership card**

Authority: IC 28-1-2-7; IC 28-1-2-8  
Affected: IC 28-7-1-10

Sec. 2. Membership cards shall be kept on file and maintained in the credit union's main office for inspection by examiners and shall contain at least the following information:

- (a) Account number, name, address, date of birth, signature of member, and the date signed,
- (b) A statement that the member is eligible for membership in the credit union by reason of employment, membership, affiliation, association, and/or other relationship with the organization, institution, corporation, or entity included in the credit union's field of membership, and
- (c) Date, signature and title of person authorized to record approval by the board, membership officer or executive committee.

(Department of Financial Institutions; Credit Unions Reg No CU-1, Sec 2; filed May 31, 1977, 9:50 am: Rules and Regs. 1978, p. 323; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)

**750 IAC 3-1-3 Termination of illegal members; effect on loans**

Authority: IC 28-1-2-7; IC 28-1-2-8  
Affected: IC 28-7-1-1; IC 28-7-1-10

Sec. 3. Any person, firm, corporation, or organization which becomes a member of a credit union contrary to the provisions of I.C. 28-7-1-10 or the by-laws of such credit union, as evidenced by the membership card or otherwise, shall be deemed by the Department to be an illegal member. The membership of any illegal member, as determined by the Department, shall be terminated and all such accounts shall be purged from the active share

accounts of the credit union within the period of time specified in writing by the Department. Provided however, any loan agreement between a terminated member and the credit union shall be unaffected by such termination and, in the event that a loan involving an illegal member is secured by shares, the share account shall, to the extent encumbered by the loan, remain valid until unencumbered. (*Department of Financial Institutions; Credit Unions Reg No CU-1, Sec 3; filed May 31, 1977, 9:50 am; Rules and Regs. 1978, p. 323; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

### Rule 2. Losses

750 IAC 3-2-1 Notice to department of loss

#### 750 IAC 3-2-1 Notice to department of loss

Authority: IC 28-7-1-1

Affected: IC 28-7-1-24

Sec. 1. The Department of Financial Institutions of the State of Indiana, by virtue of the power and authority conferred upon it by law, and upon unanimous vote of the Members of the Department of Financial Institutions, does hereby rule that each credit union shall notify the Department of Financial Institutions of any loss or losses sustained by such credit union by an act or acts of fraud, dishonesty, forgery, theft, embezzlement, wrongful abstraction or wilful misapplication of any of its officers or employees.

Such notification will be made in writing not later than the next business day following discovery of such loss and subsequent notification of all actions related to such loss taken by the institution will be made. The Department of Financial Institutions will be notified by the credit union at the conclusion of all actions related to said loss as to the manner in which loss was resolved. (*Department of Financial Institutions; Credit Unions Reg No 1, Sec II; filed Nov 20, 1959, 2:15 pm; Rules and Regs. 1960, p. 58; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

### Rule 3. Reserve Requirements

750 IAC 3-3-1 Purpose and applicability of rule  
 750 IAC 3-3-2 Risk assets defined  
 750 IAC 3-3-3 Reserve for risk assets  
 750 IAC 3-3-4 Incorporation of statutory provision  
 750 IAC 3-3-5 Basis of formula for reserve for risk assets

#### 750 IAC 3-3-1 Purpose and applicability of rule

Authority: IC 28-1-2-7

Affected: IC 28-7-1-24

Sec. 1. In accordance with the provisions of I.C. 28-7-1-24(e), the Department of Financial Institutions has

caused to be established the following regulation. This regulation [750 IAC 3-3] has been promulgated to revise the formula defined in I.C. 28-7-1-24(a) with respect to reserves to be maintained by credit unions whose share accounts are insured by an agency of the Federal government, the State of Indiana or any insuring entity which is approved by the Department to insure credit union shares and whose assets are \$500,000 or more and which have been in operation for more than four (4) years. (*Department of Financial Institutions; Reg No CU-2, Sec 1; filed Jan 29, 1979, 2:54 pm: 2 IR 311; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) NOTE: IAC citation in *Indiana Register* is incorrectly cited as 750 IAC 3-2-1.

#### 750 IAC 3-3-2 Risk assets defined

Authority: IC 28-1-2-7

Affected: IC 28-7-1-9

Sec. 2. For the purpose of this regulation [750 IAC 3-3], the term:

(a) Risk Assets shall mean all assets except the following:

- (1) Cash on hand.
- (2) Deposits and/or shares in Federally or State insured banks, savings and loan associations, and credit unions.
- (3) Investments which are direct or indirect obligations of the U.S. Government or its agencies.
- (4) Loans to other credit unions.
- (5) Student loans insured under the Higher Education Act (20 U.S.C. 1071 et. seq.) or similar State insurance programs.
- (6) Loans insured under the National Housing Act (12 U.S.C. 1703) by the Federal Housing Authority.
- (7) Common trust investments authorized by the Indiana Credit Union Act [IC 28-7-1-9(c)(3)].
- (8) Prepaid expenses.
- (9) Accrued interest on nonrisk investments.
- (10) Furniture and equipment.
- (11) Land and buildings.
- (12) Loans fully secured by a pledge of shares in the lending credit union, equal to and maintained to at least the amount of loan outstanding.
- (13) Loans which are purchased from liquidating credit unions and guaranteed by an insuring agency of the Federal government, the State of Indiana or any agency approved by the Department to insure credit union share accounts.

(*Department of Financial Institutions; Reg No CU-2, Sec 2; filed Jan 29, 1979, 2:54 pm: 2 IR 311; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) NOTE: IAC citation in *Indiana Register* is incorrectly cited as 750 IAC 3-2-2.

**750 IAC 3-3-3 Reserve for risk assets****Authority:** IC 28-1-2-7**Affected:** IC 28-7-1-9; IC 28-7-1-24

Sec. 3. At the end of each accounting period, the gross income shall be determined. Based on this amount, there shall be set aside, as a regular reserve, ten percent (10%) of gross income until the reserve shall equal four percent (4%) of total risk assets, then five percent (5%) of gross income until the reserve shall equal six per cent (6%) of total risk assets. (*Department of Financial Institutions; Reg No CU-2, Sec 3; filed Jan 29, 1979, 2:45 pm: 2 IR 312; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) **NOTE:** IAC citation in Indiana Register is incorrectly cited as 750 IAC 3-2-3.

**750 IAC 3-3-4 Incorporation of statutory provision****Authority:** IC 28-1-2-7**Affected:** IC 28-7-1-24

Sec. 4. Except for the method of calculating the regular reserve formula, all other provisions of I.C. 28-7-1-24 as it pertains to entrance fees and charges, requirement of a special reserve for delinquent loans, and waiver of such special reserve shall become a part of this regulation [750 IAC 3-3]. (*Department of Financial Institutions; Reg No CU-2, Sec 4; filed Jan 29, 1979, 2:54 pm: 2 IR 312; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) **NOTE:** IAC citation in Indiana Register is incorrectly cited as 750 IAC 3-2-4.

**750 IAC 3-3-5 Basis of formula for reserve for risk assets****Authority:** IC 28-1-2-7**Affected:** IC 28-7-1-24

Sec. 5. The formula described in Section 3 [750 IAC 3-3-3] of this regulation is based upon a similar formula for regular reserves established in the Federal Credit Union Act (12 U.S.C. 1762), as amended, and is based on a study performed for Congress by the National Credit Union Administration, the Federal insuring agency for credit unions. As such, this formula is deemed prudent by the Department and can reasonably be expected to protect the members of the credit unions to which this regulation [750 IAC 3-3] pertains. (*Department of Financial Institutions; Reg No CU-2, Sec 5; filed Jan 29, 1979, 2:54 pm: 2 IR 312; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) **NOTE:** IAC citation in Indiana Register is incorrectly cited as 750 IAC 3-2-5.

**ARTICLE 4. SAVINGS BANKS (REPEALED)**  
(*Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145*)

**ARTICLE 5. BUILDING AND LOAN ASSOCIATIONS**

- Rule 1. Fidelity Bonds
- Rule 2. Retention of Records
- Rule 3. Mobile Home Financing (*Voided*)
- Rule 4. Payments to Third Parties (*Repealed*)
- Rule 5. Mortgage Futures Transactions (*Voided*)
- Rule 6. Negotiable Order of Withdrawal (*Voided*)
- Rule 7. Consumer Loans (*Voided*)

**Rule 1. Fidelity Bonds**

- 750 IAC 5-1-1 Fidelity bonds (*Repealed*)
- 750 IAC 5-1-2 Notice of losses, cash variation shortages, and attempted thefts (*Repealed*)
- 750 IAC 5-1-3 Insurance coverage; failure to maintain (*Repealed*)
- 750 IAC 5-1-4 Real estate mortgages (*Voided*)

**750 IAC 5-1-1 Fidelity bonds (Repealed)**

Sec. 1. (*Repealed by Department of Financial Institutions; filed Jan 15, 1988, 11:00 am: 11 IR 1799*)

**750 IAC 5-1-2 Notice of losses, cash variation shortages, and attempted thefts (Repealed)**

Sec. 2. (*Repealed by Department of Financial Institutions; filed Jan 15, 1988, 11:00 am: 11 IR 1799*)

**750 IAC 5-1-3 Insurance coverage; failure to maintain (Repealed)**

Sec. 3. (*Repealed by Department of Financial Institutions; filed Jan 15, 1988, 11:00 am: 11 IR 1799*)

**750 IAC 5-1-4 Real estate mortgages (Voided)**

Sec. 4. (*Voided by P.L.193-1997, SECTION 4, effective July 1, 1997.*)

**Rule 2. Retention of Records**

- 750 IAC 5-2-1 Retention periods for records (*Voided*)

**750 IAC 5-2-1 Retention periods for records (Voided)**

Sec. 1. (*Voided by P.L.11-1998, SECTION 25, effective July 1, 1998.*)

**Rule 3. Mobile Home Financing (Voided)**

**NOTE:** *Voided by P.L.193-1997, SECTION 4, effective July 1, 1997.*

**Rule 4. Payments to Third Parties (Repealed)**

*(Repealed by Indiana Department of Financial Institutions; filed Sep 24, 1980, 3:15 pm: 3 IR 1957, eff Jan 1, 1981)*

**Rule 5. Mortgage Futures Transactions (Voided)**

*NOTE: Voided by P.L.193-1997, SECTION 4, effective July 1, 1997.*

**Rule 6. Negotiable Order of Withdrawal (Voided)**

*NOTE: Voided by P.L.193-1997, SECTION 4, effective July 1, 1997.*

**Rule 7. Consumer Loans (Voided)**

*NOTE: Voided by P.L.193-1997, SECTION 4, effective July 1, 1997.*

## ARTICLE 6. INDUSTRIAL LOAN AND INVESTMENT

Rule 1. General Provisions

Rule 2. Dormant Service Charges

**Rule 1. General Provisions**

750 IAC 6-1-1	Books and records; automated systems
750 IAC 6-1-2	Classification of loans
750 IAC 6-1-3	Class I loans
750 IAC 6-1-4	Class II loans
750 IAC 6-1-5	Class III loans
750 IAC 6-1-6	Loans secured by certificates of investment or indebtedness; interest or discount
750 IAC 6-1-7	Advertising materials; retention; examination <i>(Repealed)</i>
750 IAC 6-1-8	Unsecured loans; mortgage record; accounting <i>(Repealed)</i>
750 IAC 6-1-9	Annual report form <i>(Repealed)</i>
750 IAC 6-1-10	Certificate of authority application form <i>(Repealed)</i>
750 IAC 6-1-11	Effective date and applicability of rule

**750 IAC 6-1-1 Books and records; automated systems**

**Authority:** IC 28-1-2-7; IC 28-5-1-17

**Affected:** IC 28-5-1; IC 28-5-1-16

Sec. 1. Books and Records. (A) The books and records of any company conducting business under the Indiana Industrial Loan and Investment Act [IC 28-5-1] shall be so kept that the accounts of its business may be readily separated and distinguished from any other business, and shall adequately reflect the operation of such business.

(B) In lieu of an individual ledger card or ledger sheet, a print-out (automated system) may be substituted and a single print-out shall be maintained for each closed account; a print-out for each current account shall be made readily available upon request by the Department

or its authorized representative. Each print-out or ledger sheet must set forth the same items as required on ledger card which are as follows:

- (1) Account number
- (2) Name and address of borrower
- (3) Name and address of each co-maker and/or endorser
- (4) Date of note
- (5) Description of collateral or article taken as security
- (6) Whether the mortgage securing the loan has been filed or recorded and fees charged, if any
- (7) Net amount of cash received or credit given to borrower
- (8) Life insurance cost to borrower
- (9) Other insurance costs to borrower, types of insurance carried and expiration date
- (10) Total principal borrowed (Sum of Items 6, 7, 8 and 9). This shall be the amount to be considered when computing the discount charge
- (11) Discount charge, if instrument taken includes the discount charge
- (12) Total amount of note (Sum of Items 10 and 11)
- (13) Terms of payment including the number and amount of each installment
- (14) Date and amount of all delinquent fees and charges collected
- (15) Date and amount of rebate discount allowed the borrower for prepayment
- (16) Date and amount of each installment collected and the unpaid balance of the note
- (17) Monthly rate of interest, if an interest-bearing instrument is used
- (18) Date interest paid to and amount of interest if an interest-bearing instrument is used
- (19) Number of days upon which interest was collected if an interest-bearing instrument is used

(C) No ledger cards or sheets or print-outs in respect to loans of a company doing business under said Act shall be intermingled with the accounts of any other company. All ledger cards or sheets or print-outs for Industrial Loan and Investment receivables which have been paid in full subsequent to any examination by the Department examiners shall, until the next succeeding examination, and release thereof by the examiners for disposal filing, be kept separate from all other paid-in-full ledger cards or sheets or print-outs.

(D) Each company operating under The Indiana Industrial Loan and Investment Act [IC 28-5-1] shall maintain a record of control indicating the number of accounts and dollar value thereof of all outstanding receivables. *(Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 1, Sec 1; filed Dec 15, 1945, 9:40 am:*

*Rules and Regs. 1947, p. 994; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 161; filed Feb 2, 1955, 10:50 am: Rules and Regs. 1956, p. 217; filed Feb 14, 1956, 1:30 pm: Rules and Regs. 1957, p. 112; filed Nov 26, 1969, 11:20 am: Rules and Regs. 1970, p. 113; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)*

### **750 IAC 6-1-2 Classification of loans**

**Authority:** IC 28-1-2-7; IC 28-5-1-17

**Affected:** IC 28-5-1; IC 28-5-1-6; IC 28-5-1-9

Sec. 2. Classification of Loans. Loans made by companies doing business under The Indiana Industrial Loan and Investment Act [IC 28-5-1] are hereby classified as follows:

**CLASS I**—Loans in which the charge of the lender for the extension of credit contracted for is added into the principal of the obligation evidencing the debt and in which the loan is not secured wholly or partially by any first mortgage on real estate, unless such mortgage is taken by an Investment type company only as additional security for such loan or as security for such loan when it is in default both as provided in Burns 18-3109 [IC 28-5-1-9].

**CLASS II**—Loans secured by a first mortgage upon real estate, whether wholly or partially, and which first mortgage shall not have been taken by an Investment type company only as additional security for such loan or as security for such loan which is in default both as provided in Burns 18-3109 [IC 28-5-1-9].

**CLASS III**—All other loans made by companies under the Indiana Industrial Loan and Investment Act [IC 28-5-1]

Provided, however, that none of the foregoing classes shall include any loan made by a company pursuant to subsections (h) (i) (j) of the amended Section 6 [IC 28-5-1-6] of The Indiana Industrial Loan and Investment Act (Acts 1955, Ch. 20, Sec. 2, p. 42.)

*(Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 1, Sec 2; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 996; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 162; filed Feb 2, 1955, 10:50 am: Rules and Regs. 1956, p. 218; filed Feb 14, 1956, 1:30 pm: Rules and Regs. 1957, p. 113; filed Nov 26, 1969, 11:20 am: Rules and Regs. 1970, p. 114; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)*

### **750 IAC 6-1-3 Class I loans**

**Authority:** IC 28-1-2-7; IC 28-5-1-17

**Affected:** IC 28-5-1-6

Sec. 3. Class I Loans. (A) The maximum discount or

charge of the company for the extension of credit contracted which may be added into the principal of the obligation evidencing the debt shall be an amount equal to interest at the rate of one and one-half per cent (1 1/2%) per month, computed on the declining principal balances of the amount loaned as if the borrower paid the debt in the installments and at the times contracted, and as if so much of each payment is applied first to the payment of such interest as will pay the same to the date such payment is contracted to be paid and the remainder of each payment is applied in reduction of the amount loaned.

(B) The written instrument evidencing the debt shall recite among other things the actual amount of money loaned to the borrower.

(C) No obligation evidencing a Class I loan may provide for any interest or other consideration to the lender for the use of the money loaned for the period or periods during which the debt, or parts thereof, is contracted other than the discount permitted by Section A above plus lawful fees actually and necessarily paid public officers for filing, recording, and releasing the instruments securing the loan, and reasonable attorneys' fees and court costs which actually are expended in the enforcement of the terms of the instrument or instruments evidencing or securing the loan.

(D) An obligation evidencing a Class I loan may provide for a delinquent fee in the event the borrower fails to pay the debt or any installment thereof when due; Provided, however, that no delinquent fee or other consideration on account of delinquency may be contracted for in any obligation in respect to a Class I loan or collected or received unless the debt, or part thereof, is more than ten days past due, and in the event the debt, or part thereof, is more than ten days past due delinquent fee shall not exceed five cents per each dollar of said debt which is delinquent without giving effect to any provision of the obligation providing for acceleration of payments otherwise not yet due, provided that no single delinquent fee shall exceed five dollars (\$5.00).

(E) In the event any Class I loan is paid in full at any time before maturity, the lender shall make refund to the borrower. The amount of the refund shall represent at least as great a proportion of the total discount as the sum of the periodical time balances after the date of prepayment bears to the sum of all the periodical time balances under the schedule of payments in the original loan. Such refund shall be computed on the basis of the number of days actually elapsed, and for the purpose of such computation a month shall be any period of thirty (30) consecutive days, and on the nearest even dollar of the gross discount collected; Provided, however, that if the note evidencing the loan clearly provides therefor, the

amount required to be refunded shall not exceed the total amount of the original discount on the entire loan less five dollars (\$5.00); and provided further, however, no refund shall be required if the refund is less than the sum of one dollar (\$1.00). (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 1, Sec 3; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 997; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 163; filed Feb 2, 1955, 10:50 am: Rules and Regs. 1956, p. 218; filed Feb 14, 1956, 1:30 pm: Rules and Regs. 1957, p. 114; filed Nov 26, 1969, 11:20 am: Rules and Regs. 1970, p. 114; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) NOTE: Amended by Reg. and General Order No. 4, 1965; 51.

#### **750 IAC 6-1-4 Class II loans**

**Authority:** IC 28-1-2-7; IC 28-5-1-17

**Affected:** IC 28-5-1-9

Sec. 4. Class II Loans. (A) The maximum interest, discount, charge or other consideration for the use of the money loaned in any loan contract evidencing a Class II loan shall be three-fourths of one percent (3/4%) per month of the actual unpaid principal balance or balances computed on the basis of the number of days actually elapsed, and for the purpose of such computation a month shall be any period of thirty (30) consecutive days; and, at the option of the lender, such interest, discount, charge or other consideration for the use of the money loaned may be added into the principal of the obligation evidencing the debt but shall not exceed an amount equal to interest at the rate of three-fourths of one per cent (3/4%) per month, computed on the declining principal balances of the amount loaned as if the borrower paid the debt in the installments and at the times contracted, and as if so much of each payment is applied first to the payment of such interest as will pay the same to the date such payment is contracted to be paid, and the remainder of each payment is applied in reduction of the amount loaned.

(B) The written instrument evidencing the debt in which the charge of the lender for the extension of credit contracted is added into the principal of the obligation shall recite among other things the actual amount of money loaned to the borrower.

(C) No obligation evidencing a Class II loan may provide for any interest, discount, charge, or other consideration to the lender for the use of the money loaned for the period or periods during which the debt, or parts thereof, is contracted other than the charge permitted by paragraphs A and D of this Section plus lawful fees actually and necessarily paid public officers for

filing, recording and releasing the instrument securing the loan, reasonable fees actually paid to a person other than the salaried employee of the lender for appraisal of real estate securing the loan, costs of abstract, title search, legal opinion and title insurance, and reasonable attorneys' fees and court costs when actually expended in the enforcement of the terms of the instrument or instruments evidencing or securing the loan.

(D) An obligation evidencing a Class II loan in which the charge of the lender for the extension of credit contracted is added into the principal of the obligation may provide for a delinquent fee in the event the borrower fails to pay the debt or any installment thereof when due; Provided, however, that no delinquent fee or other consideration on account of delinquency may be contracted for in any obligation in respect to a Class II loan or collected or received unless the debt, or part thereof, is more than ten days past due, and in the event the debt, or part thereof, is more than ten days past due such delinquent fee shall not exceed five cents per dollar of said debt which is delinquent without giving effect to any provision of the obligation providing for acceleration of payments otherwise not yet due, provided that no single delinquent fee shall exceed five dollars (\$5.00).

(E) In the event any Class II loan is paid in full at any time before maturity, the lender shall make refund to the borrower. The amount of the refund shall represent at least as great a proportion of the total discount as the sum of the periodical time balances after the date of prepayment bears to the sum of all the periodical time balances under the schedule of payments in the original loan. Such refund shall be computed on the basis of the number of days actually elapsed, and for the purpose of such computation a month shall be any period of thirty (30) consecutive days, and on the nearest even dollar of the gross discount collected; Provided, however, that if the note evidencing the loan clearly provides therefor, the amount required to be refunded shall not exceed the total amount of the original discount on the entire loan less five dollars (\$5.00); and provided further, however, no refund shall be required if the refund is less than the sum of one dollar (\$1.00). (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 1, Sec 4; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 999; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 165; filed Feb 2, 1955, 10:50 am: Rules and Regs. 1956, p. 220; filed Feb 14, 1956, 1:30 pm: Rules and Regs. 1957, p. 115; filed Nov 26, 1969, 11:20 am: Rules and Regs. 1970, p. 115; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) NOTE: Amended by Reg. and General Order No. 4, 1965; 51.

**750 IAC 6-1-5 Class III loans****Authority:** IC 28-1-2-7; IC 28-5-1-17**Affected:** IC 28-5-1-6

Sec. 5. Class III Loans. (A) No Class III loan shall contain a charge by the lender for the extension of credit contracted for therein which is added into the principal of the obligation evidencing the debt.

(B) The maximum interest, discount, charge, or other consideration for the use of the money loaned in any loan contract evidencing a Class III loan shall be one and one-half per cent (1 1/2%) per month of the actual unpaid balance or balances computed on the basis of the actual number of days actually elapsed, and for the purpose of such computation a month shall be any period of thirty (30) consecutive days, plus lawful fees actually and necessarily paid public officers for filing, recording and releasing the instruments securing the loan, and reasonable attorneys' fees and court costs which actually are expended in the enforcement of the terms of the instrument or instruments evidencing or securing the loan. (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 1, Sec 5; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 999; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 165; filed Feb 2, 1955, 10:50 am: Rules and Regs. 1956, p. 220; filed Feb 14, 1956, 1:30 pm: Rules and Regs. 1957, p. 116; filed Nov 26, 1969, 11:20 am: Rules and Regs. 1970, p. 117; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

**750 IAC 6-1-6 Loans secured by certificates of investment or indebtedness; interest or discount****Authority:** IC 28-1-2-7; IC 28-5-1-17**Affected:** IC 28-5-1-13

Sec. 6. Certificates of Investment or Indebtedness Taken as Security to a Loan. In the event a company takes as security for a loan a certificate of investment or indebtedness issued by the company which is sold to the borrower on credit, or takes in connection with any loan an agreement by the borrower to purchase a certificate of investment or indebtedness by installment payments, the interest or discount on any such loan shall be computed, for the purpose of determining the actual interest or discount charged, as if payment made by the borrower upon the purchase price of such certificate was a payment upon the loan so secured. (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 1, Sec 6; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 1000; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 166; filed Feb*

*2, 1955, 10:50 am: Rules and Regs. 1956, p. 220; filed Feb 14, 1956, 1:30 pm: Rules and Regs. 1957, p. 117; filed Nov 26, 1969, 11:20 am: Rules and Regs. 1970, p. 117; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)  
*NOTE: Amended by Reg. and General Order No. 3, 1960; 54.*

**750 IAC 6-1-7 Advertising materials; retention; examination (Repealed)**

Sec. 7. (*Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145*)

**750 IAC 6-1-8 Unsecured loans; mortgage record; accounting (Repealed)**

Sec. 8. (*Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145*)

**750 IAC 6-1-9 Annual report form (Repealed)**

Sec. 9. (*Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145*)

**750 IAC 6-1-10 Certificate of authority application form (Repealed)**

Sec. 10. (*Repealed by Department of Financial Institutions; filed Dec 1, 1992, 5:00 p.m.: 16 IR 1145*)

**750 IAC 6-1-11 Effective date and applicability of rule****Authority:** IC 28-1-2-7; IC 28-5-1-17**Affected:** IC 28-5-1-16; IC 28-5-1-17

Sec. 11. Application or Order to Transactions. All sections of this Regulation [750 IAC 6-1] and General Order shall be in effect and shall govern and regulate all transactions from and after the date of the adoption of this revision and from and after its approval and promulgation in the manner provided by law. (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 1, Sec 11; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 1015; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 180; filed Feb 2, 1955, 10:50 am: Rules and Regs. 1956, p. 224; filed Feb 14, 1956, 1:30 pm: Rules and Regs. 1957, p. 121; filed Nov 26, 1969, 11:20 am: Rules and Regs. 1970, p. 121; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*) *NOTE: Renumbered Reg 11 by 1970 amendment.*

**Rule 2. Dormant Service Charges**



- 750 IAC 6-2-1 Dormant certificate of investment; definition; notice  
 750 IAC 6-2-2 Dormant service charges  
 750 IAC 6-2-3 Accounting of service charges

**750 IAC 6-2-1 Dormant certificate of investment; definition; notice**

**Authority:** IC 28-1-2-7; IC 28-5-1-9  
**Affected:** IC 28-5-1-12

Sec. 1. Definitions. A certificate of investment shall be considered as dormant when the same has not been active for a period of three (3) years or more, as evidenced by the books of the Industrial Loan and Investment Company; and for the purpose of this definition, transactions or entries on the books of the industrial loan and investment company representing service charge debits, interest credits, or memoranda shall not be deemed to change the status of the account from dormant to active; provided, however, no such account shall be deemed to be dormant under this rule until fifteen (15) days after notice has been given by mail to the certificate of investment holder at the last known address that the account is to be declared dormant and to become subject to service charges after fifteen (15) days from the date of the notice. (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 2, Sec 1; filed Nov 14, 1949, 2:40 pm: Rules and Regs. 1950, p. 102; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

**750 IAC 6-2-2 Dormant service charges**

**Authority:** IC 28-1-2-7; IC 28-5-1-9  
**Affected:** IC 28-5-1-12

Sec. 2. Charges. (a) Dormant service charges may be made by any industrial loan and investment company upon any dormant certificate of investment, the balance of which is less than the sum of one hundred dollars (\$100.00), in any sum not exceeding twenty-five cents (\$.25) per month; where the amount of the balance of the certificate of investment is less than the dormant service charges, such charge shall be the amount of the balance.

(b) Dormant service charges shall not be imposed or charged against dormant certificates of investment with balances of one hundred dollars (\$100.00) or more therein.

(c) All dormant service charges may be imposed and charged monthly, quarterly, semi-annually at the option of the industrial loan and investment company; provided that a charge so imposed and collected shall not be at a greater rate than three dollars (\$3.00) per annum.

(d) A "service charge" of ten cents (\$.10) may be charged for each withdrawal in excess of one (1) withdrawal in any given month.

(e) A "service charge" of fifty cents (\$.50) may be imposed on any certificate of investment account closed within ninety (90) days from date of opening of such account. (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 2, Sec 2; filed Nov 14, 1949, 2:40 pm: Rules and Regs. 1950, p. 102; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

**750 IAC 6-2-3 Accounting of service charges**

**Authority:** IC 28-1-2-7; IC 28-5-1-9  
**Affected:** IC 28-5-1-12

Sec. 3. Accounting. All revenue received from service charges received under this General Order and Regulation No. 2 [750 IAC 6-2] shall be placed in a separate general ledger account and adequate supporting information on all entries shall be maintained. (*Department of Financial Institutions; Industrial Loan and Investment Companies Reg and General Order No 2, Sec 3; filed Nov 14, 1949, 2:40 pm: Rules and Regs. 1950, p. 103; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

**ARTICLE 7. PAWNBROKING**

- Rule 1. General Provisions  
 Rule 2. Thumb Print Requirement

**Rule 1. General Provisions**

- 750 IAC 7-1-1 Books and records; bills of sale (*Voided*)  
 750 IAC 7-1-2 Advertising materials; retention; examination  
 750 IAC 7-1-3 Annual report form  
 750 IAC 7-1-4 License application form

**750 IAC 7-1-1 Books and records; bills of sale (*Voided*)**

Sec. 1. (*Voided by P.L.14-1992, SECTION 166, effective July 1, 1992.*)

**750 IAC 7-1-2 Advertising materials; retention; examination**

**Authority:** IC 28-1-2-7; IC 28-7-5-12  
**Affected:** IC 28-7-5-18

Sec. 2. Advertising. Each licensee shall retain for a period of not less than fourteen (14) months from the date of use, with the date of such use indicated thereon, identical copy of all advertising material, including radio script, which has been printed, displayed, published, distributed or broadcast by such licensee, available for examination by representatives of the Department at any time; Provided, however, the licensee may dispose of said advertising after an examination. Licensee holding

more than one license may designate one office located in Indiana as the repository for such records.

COMMENT

The laws of the State of Indiana are sufficient to control the advertising of a licensee. In determining what advertising is false, what is misleading, and what is calculated to deceive, the advertisement must be considered with the surrounding facts and circumstances, and the representatives of the Department are instructed to examine the advertising of each licensee, giving consideration to the facts and circumstances under which such advertising is done, and giving consideration, among other things, to statements which are ambiguous or incomplete. Such representatives shall report to the Department such advertising by a licensee which in their

opinion violates the provisions of the statute. (*Department of Financial Institutions; Pawnbroking Reg No 1, Sec 2; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 1017; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 181; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

**750 IAC 7-1-3 Annual report form**

**Authority:** IC 28-1-2-7; IC 28-7-5-12

**Affected:** IC 28-7-5-17

Sec. 3. Annual Report. The annual report of the licensee shall be made in the following form:

# PAWNBROKING

License No. \_\_\_\_\_

Name of Pawnbroker. \_\_\_\_\_ City \_\_\_\_\_

State of Indiana

## DEPARTMENT OF FINANCIAL INSTITUTIONS

Annual Report for the Year Ending December 31, 19\_\_\_\_

As Required by

Chapter 195, Section 17, Acts of 1935  
and any acts amendatory thereof

### SCHEDULE A General

1. Name of Licensee. \_\_\_\_\_
2. License Number. \_\_\_\_\_
3. Place of Business (Exact Address). \_\_\_\_\_
4. Date Licensee began Business. \_\_\_\_\_
5. State whether Independent Corporation, Incorporated Affiliate, Partnership, Individual, or Unincorporated Branch. \_\_\_\_\_
6. Monthly Rate of Interest and Fee Charged on Pledges. \_\_\_\_\_
7. Are any other charges made on pledges? \_\_\_\_\_ If "Yes" state nature. \_\_\_\_\_
8. Are books kept on Cash or Accrual basis? \_\_\_\_\_
9. If company engages in any business, other than Pawnbroking, give brief description here. \_\_\_\_\_

### SCHEDULE B Statement of Financial Condition\*

	(1)		(2)	
	As of Dec. 31, 19 ____ End of Present Year		As of Dec. 31, 19 ____ End of Previous Year	
<b>Assets of Entire Company:</b>				
10. Cash on Hand and in Bank				
11. Pledge Loans Outstanding				
12. Other Loans (Specify)				
13. Merchandise Inventory				
14. Furniture and Fixtures				
15. Other Assets (Itemize)				
16. Total all Assets (Items 10 to 15)				
<b>Liabilities of Entire Company:</b>				
17. Notes Payable				
18. Accounts Payable				
19. Pledgor's Surplus Account				
20. Other Liabilities (Itemize)				
21. Net Worth (If not incorporated)				
22. Capital Stock issued (Corporation)				
Common				
Preferred				
23. Surplus and Undivided Profits (Corporation)				
24. Total Liabilities and Capital (Items 17 to 23)				

\*Note: In order to avoid complications, this report has been designed to be filed in gross by the licensee; therefore, if company engages in the small loan, merchandise, or any other business in addition to Pawnbroking, all assets from such business or businesses should be included in Items 10 to 15 above, in the proper classification. (The same principle applies to Schedule C, Items 1\* to 10, inclusive.)

**SCHEDULE C**

**Statement of Income and Expense**

For Period from January 1, 19 \_\_\_\_, to December 31, 19 \_\_\_\_.

<b>Gross Earnings from Entire Business:</b>				
25. Interest collected on Pledge Loans				
26. Interest collected on Other Loans				
27. Storage Fees on Pledged Articles				
28. Gross Income from Merchandise Business				
29. Other Income (Itemize)				
30. Total Gross Earnings (Items 25 to 29)	X	X	X	X
<b>Expenses of Conducting Entire Business:</b>				
31. Rent				
32. Salaries:				
Officers				
Employees				
33. Printing and Stationery				
34. Legal Fees				
35. License Fees (Specify)				
36. Taxes:				
State and Local Taxes				
Federal Taxes				
37. Losses on Auction Sale of Pledges				
38. Interest on Borrowed Money				
39. Other Expenses (Itemize)				
40. Total Expenses (Items 31 to 39)	X	X	X	X
41. Total Net Earnings from Entire Business (Item 30 minus Item 40)	X	X	X	X
<b>Reconciliation of Surplus or Net Worth:</b>				
42. Surplus or Net Worth Dec. 31, of the Previous Year (Must agree with Item 21 or 23, Col. II, Sch. B) Add:				
43. Net Earnings (Item 41)				
44. New Capital Invested (Individual or Partnership)				
45. Other Credits to Surplus (Itemize)				
46. Total	X	X	X	X
Deduct:				
47. Withdrawals from Profits or Capital (Individual or Partnership)				
48. Dividends				
49. Other Debits to Surplus (Itemize)				
	X	X	X	X
50. Surplus or Net Worth Dec. 31, of the Present Year (Must agree with Item 21 or 23, Col. I, Sch. B)	X	X	X	X

SCHEDULE D
Analysis of Pledged Accounts

Table with columns for Number and Amount. Rows include: 51. Pledges Outstanding Dec. 31, of the Previous Year; 52. Pledges Made or Renewed During the Present Year; 53. Total; 54. Pledges Redeemed During the Present Year and Collection of Principal; 55. Pledges Unredeemed and Sold During the Present Year; 56. Pledges Outstanding Dec. 31, of the Present Year; 57. Pledge Loans Made or Renewed During the Present Year (a-g); 58. Total Amount of Surplus Paid to Pledgors During the Present Year; 59. Give names of Auctioneers and Addresses of auction room...

SCHEDULE E

Affidavit

State of Indiana,
County of. } ss:

I, the undersigned, being the
of the
licensee, swear (or affirm), that to the best of my knowledge and belief the statements contained in this report, including the accom-
panying schedules and statements (if any) are true and that the same is a true and complete statement in accordance with the law.

Subscribed and sworn to before me, this day of, 19

Notary Public

My Commission Expires, 19

**INSTRUCTIONS FOR PREPARING PAWNBROKING REPORT****Who Should Prepare Pawnbroking Report**

The pawnbroking report must be prepared by all persons, partnerships, or companies licensed to do a pawnbroking business in Indiana (Section 17, Pawnbroking Law). Any person, partnership, or company having both a small loan license and a pawnbroking license will be required to file a small loan annual report and a pawnbroking annual report on the forms provided by this Department.

**When and to Whom Report Should Be Made**

Pawnbroking report must be filed with The Department of Financial Institutions (Division of Small Loans and Consumer Credit) not later than March 15 (Section 17, Pawnbroking Law). However, in order to allow time for correction in case of incomplete or incorrect reports, licensees are advised to file their reports as soon as possible after December 31.

**Period to Be Covered By Report**

Schedule B, Column I (Items 10 to 24) should show the financial statement of condition of the entire company as of December 31 of present year. Schedule B, Column II (Items 10 to 24) should show the financial statement of condition of the entire company as of December 31 of the previous year.  
The first part of Schedule C (Items 25 to 41) should cover the period from January 1 to December 31 of the present year.

**SCHEDULE A**

Under Item 6, answer "lawful rate" if all pledge loans made during the year carried the maximum rate of interest allowed by law. If all pledge loans made during the year did not carry the maximum rate allowed by law at the time the loans were made, attach a schedule of the actual rates charged, showing the period of time during which the reduced rates were in effect and the size of pledge loans to which such rates were applicable.

Item 8: Your books are on a cash basis if they show only money actually received and expended during the year. Your books are on an accrual basis if they show receipts and expenses, earned or incurred, during the year whether or not actually received or paid.

**SCHEDULE B**

Schedule B should be a balance sheet showing all assets and liabilities of the entire company in the proper classifications. The first section of Schedule B (Items 10 to 16) should include all the assets employed in carrying on the licensee's business or businesses. If the schedule does not show all the headings applicable to the business, insert the additional headings under Item 11.

Pledge or Pawn loans should be shown under Item 11. Any other loans made by the company, such as "loans of \$500 or less made under the Small Loan Act," or "straight eight per cent loans, etc." should be shown under Item 12.

The second section of Schedule B (Items 17 to 24) should include all the outstanding liabilities and capital of the company under the proper headings. Show properly captioned under Item 20 any liability items not provided in the schedules.

Include under Item 19 (Pledgors Surplus Account) all amounts owed to pledgors from the public auction sale of pledged articles as provided by Section 31 of the Pawnbroking Law.

The amount shown under Item 24 must agree with the amount shown under Item 16.

If the licensee is a corporation, Item 21 will be disregarded. If the licensee is a partnership or individual, Items 22 and 23 will be disregarded.

**SCHEDULE C**

Enter under Gross Earnings (Items 25 to 30) all earnings from the entire company under the proper classifications. Income, reported under Item 29, must be itemized. If sufficient space is not provided, a separate schedule of other income should be attached.

Under Items 31 to 40 enumerate all expenses of carrying on the business or businesses of the entire company. Expense listed under Item 39 must be itemized.

In instances where Item 40 exceeds Item 30, then Item 41 will indicate a loss and should be so shown.

Items 42 to 50 should show the distribution of earnings of the entire company and also all other transactions during the year that affect surplus or net worth. Items 45 and 49 must be itemized. If the licensee is a corporation, Items 44 and 47 will be disregarded. In the case of corporations, Items 42 and 50 are the same as Item 23, Column II, Schedule B and Item 23, Column I, Schedule B, respectively, and, therefore, must agree.

If the licensee is a partnership or individual, Item 48 will be disregarded. In the case of a partnership or individual, Items 42 and 50 are the same as Item 21, Column II, Schedule B, and Item 21, Column I, Schedule B, respectively, and, therefore, must agree.

**SCHEDULE D**

This schedule includes an analysis of pledge or pawn loans only, and is self explanatory. The first section of Schedule D may be proved as follows: Item 51 plus Item 52 minus Items 54 and 55 should equal Item 56.

Item 57 classifies all pledge loans made during the year according to size, and the total of this group (Item 57g) should agree with Item 52.

Item 58 should represent the actual amount of surplus paid to pledgors during the present year in accordance with Section 31 of the Pawnbroking Law.

**AFFIDAVIT**

The affidavit must be executed, if a corporation, by a duly authorized officer of such corporation, or by a member of the firm or partner if the licensee is a firm or partnership. In the case of illness or inability of such person to sign the affidavit, it may be executed by a legal representative or agent. The affidavit must be made before a Notary Public, Justice of the Peace, or other person authorized to administer oaths.

**IN GENERAL**

All items and schedules must be properly filled out. Incomplete or inaccurate reports cannot be accepted.

In instances where no amount can be entered, write the word "none."

Typewritten reports are preferred, however, if this cannot be done, reports properly filled out in ink will be accepted.

The annual report form which we are providing has been given careful consideration and we feel that no company need submit any figures called for.

*(Department of Financial Institutions; Pawnbroking Reg No 1, Sec 3; filed Dec 15, 1945, 9:40 am; Rules and Regs. 1947, p. 1018; filed Feb 13, 1947, 9:50 am; Rules and Regs. 1948, p. 182; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)*

**750 IAC 7-1-4 License application form**

Authority: IC 28-1-2-7; IC 28-7-5-12

Affected: IC 28-7-5-4

Sec. 4. Application Form. The application for a license shall be made in the following form:

**THE DEPARTMENT OF FINANCIAL INSTITUTIONS  
STATE OF INDIANA**

**APPLICATION FOR PAWNBROKING LICENSE OR RENEWAL OF A LICENSE**

....., Indiana, ..... 19.....

License No. ....  
(Leave Blank)

To the Department of Financial Institutions of  
The State of Indiana,  
Indianapolis, Indiana.

The undersigned hereby makes application for a license or renewal of a license to conduct a pawn-  
broking business in ..... County, State of Indiana, as provided in Chapter 195, Acts of 1935.

(To be filled in by all Applicants)

Name .....  
(Trade name)

Address.....

**INDIVIDUALS**

(Schedule to be filled in only by those operating as Individuals)

Name ..... d/b/a .....  
(Trade name)

Place of Business .....

Residence Address .....

Is an office maintained at the above address? .....

Name and address of affiliate licensed offices.....

**PARTNERSHIPS**

(Schedule to be filled in only by those operating as Partners)

Name.....  
(Trade name)

Place of Business.....

Is an office maintained at the above address?.....

Name and address of affiliate licensed offices.....

Name and residence address of each partner is as follows:

Name	Residence Address
.....	.....
.....	.....

**CORPORATIONS**

(Schedule to be filed in only by those operating as Corporations)

Name .....

Place of Business .....

Such corporation was organized under the laws of the state of .....

Date of Incorporation ..... Place .....

In an office maintained at the above address? .....

.....

.....

The names, addresses and titles of its officers and directors are as follows:

Officers and Directors	Title	Address
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

Is any stock held by holding company or managing company? ..... If so, give name and address of affiliate company .....

**GENERAL QUESTIONS**  
(Schedule to be filed in by all Applicants)

Do you intend to carry on or engage in any other business in addition to the Pawnbroking Business? .....

If so, describe other business or businesses in detail .....

.....

.....

Do you agree to keep a separate set of books and records to be used for the Pawnbroking Business only? .....

.....

Describe the method employed or to be employed in allocating expenses .....

.....

Do you agree to surrender license in event of failure to renew? .....

Has any officer, employee or owner been convicted of violating any of the provisions of this Act? .....

If so, give particulars .....

.....

Has any officer, employee or owner been connected directly or indirectly as principal or employee with any business, licensed under this Act, which license was suspended or revoked? .....

.....



If so, give particulars.....  
.....

Do you agree to operate your business honestly, fairly, and within the purposes of the Act?.....

Do you agree to abide by all General Orders and Regulations promulgated by this Department?.....

.....  
(Individual)

(Seal)

Corporation  
Signatures

.....  
(Name of Corporation)

By

Partnership  
Signatures

.....  
(Partner)

.....  
(Partner)

.....  
(Partner)

.....  
(Partner)

.....  
(Partner)

**ACKNOWLEDGMENT**  
(Individuals or Partnership)

State of Indiana, County of \_\_\_\_\_, SS:

Before me, \_\_\_\_\_, the undersigned, a Notary Public  
in and for said County and State, personally appeared

.....  
and acknowledged the execution of the above and foregoing instrument to be their free act and deed for  
the uses and purposes therein mentioned.

Witness my hand and \_\_\_\_\_ Seal, this  
day of \_\_\_\_\_, 19\_\_

.....  
(Notary Public)

My commission expires .....

**ACKNOWLEDGMENT**  
(Corporate)

State of Indiana, County of....., SS:

Before me, ....., the undersigned, a Notary Public  
in and for said County and State, personally appeared.....

..... to me known to be the.....  
(Name) (Title)

of..... and acknowledged the execution of the  
(Name of Corporation)  
above and foregoing instrument to be the free act and deed of such corporation for the uses and purposes  
therein mentioned.

Witness my hand and..... Seal, this ..... day of  
....., 19.....

.....  
(Notary Public)

My commission expires.....

**BOND**

Know All Men by These Presents, That the undersigned.....  
of..... County, State of Indiana, as principal and.....  
..... of.....  
as suret....., are firmly bound unto the State of Indiana in the penal sum of ONE THOUSAND DOLLARS,  
for the payment of which, well and truly to be made, we bind ourselves, jointly and severally, and our joint  
and several heirs, executors, administrators and assigns, firmly by these presents, this..... day of  
....., 19.....

The conditions of the Above Obligations are Such, That, Whereas the above named.....  
.....  
has applied for a license or renewal of a license to conduct a Pawnbroking business in.....  
County, as provided in Chapter 195, Acts of 1935.

Now if the said.....  
will faithfully conform to and abide by the provisions of the said Pawnbroking Act and the regulations  
lawfully made by the Department of Financial Institutions of the State of Indiana pertaining to the busi-  
ness of pawn loans and will pay to the State of Indiana and to any person or persons any and all money that  
may become due or owing to them from said.....

under and by virtue of the provisions of said law, then the above obligations to be null and void, else to remain in full force and effect.

(SEAL)

Corporation  
Signature

By

(Individual)

(Corporation)

(Name of Officer)

Partnership  
Signatures

(Partner)

(Partner)

(Partner)

(Partner)

(Surety)

By

(Name of Officer)

ACKNOWLEDGMENT

State of Indiana, County of \_\_\_\_\_, SS:

Before me, \_\_\_\_\_, a \_\_\_\_\_,  
in and for said county, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
personally appeared \_\_\_\_\_  
as principal and \_\_\_\_\_  
as surety and acknowledged the execution of the above and foregoing bond.

Witness my hand and \_\_\_\_\_ Seal, this \_\_\_\_\_ day of

\_\_\_\_\_, 19\_\_\_\_

(Notary Public)

My commission expires \_\_\_\_\_

Accepted and approved this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

(Small Loan Supervisor)

State of Indiana, County of..... SS:

I, ..... above  
 subscribed surety, hereby declare on my oath, that I am worth in real estate situated in Indiana, in my  
 own right and name, not less than.....  
 .....  
 in excess of all encumbrances and obligations, and any interest that my wife (if married) may have in  
 my property.

Subscribed and sworn to before me, this..... day of....., 19.....  
 .....  
 (Notary Public)

My commission expires.....

For the purpose of complying with Chapter 195, Section 8, Acts of 1935, new applicants are to furnish the following three references, one of which is to be a bank:

1. ....
2. ....
3. ....

(Department of Financial Institutions; Pawnbroking Reg No 1, Sec 4; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 1027; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 182; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)

**Rule 2. Thumb Print Requirement**  
 750 IAC 7-2-1 Thumb prints of customers (Voided)

**750 IAC 7-2-1 Thumb prints of customers (Voided)**

Sec. 1. (Voided by P.L.14-1992, SECTION 166, effective July 1, 1992.)

**ARTICLE 8. REPORTING PROCEDURES**  
 Rule 1. Financial Accountability

**Rule 1. Financial Accountability**  
 750 IAC 8-1-1 Notice of losses and cash variation shortages (Voided)

750 IAC 8-1-2 Report of crime (Voided)

**750 IAC 8-1-1 Notice of losses and cash variation shortages (Voided)**

Sec. 1. (Voided by P.L.176-1996, SECTION 36, effective July 1, 1996.)

**750 IAC 8-1-2 Report of crime (Voided)**

Sec. 2. (Voided by P.L.176-1996, SECTION 36, effective July 1, 1996.)