

Oklahoma Department of Consumer Credit (OKDOCC) Update
Notice To Lenders
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Listed below are changes in the maximum charges that a Lender may make on items that are affected by changes in the Consumer Price Index Indicators, Consumer Price Index for Urban Wage Earners and Clerical Workers.

The designated sections and the corresponding dollar amounts effective July 1, 2013 are as follows (2012 amounts are represented by ~~strikeouts~~ and the 2013 amounts are represented by underlines).

O.S. Title 14A. Consumer Credit
Changes Effective July 1, 2013

Article 2 – Credit Sales
Part 2 – Maximum Charges

§ 2-201. Credit service charge for consumer credit sales other than revolving charge accounts

- (1) With respect to a consumer credit sale, other than a sale pursuant to a revolving charge account, a seller may contract for and receive a credit service charge not exceeding that permitted by this section.
- (2) The credit service charge, calculated according to the actuarial method, may not exceed the equivalent of the greater of either of the following:
 - (a) the total of
 - (i) thirty percent (30%) per year on that part of the unpaid balances of the amount financed which is ~~\$1,410.00~~ \$1,440 or less;
 - (ii) twenty-one percent (21%) per year on that part of the unpaid balances of the amount financed which is more than ~~\$1,410.00~~ \$1,440 but does not exceed ~~\$4,700.00~~ \$4,800.00 and
 - (iii) fifteen percent (15%) per year on that part of the unpaid balances of the amount financed which is more than ~~\$4,700.00~~ \$4,800.01; or
 - (b) twenty-one percent (21%) per year on the unpaid balances of the amount financed.

§ 2-203. Delinquency charges

- (1) With respect to a consumer credit sale, refinancing, or consolidation, including a revolving charge account, the parties may contract for a delinquency charge on any installment not paid in full within ten (10) days after its scheduled due date as follows:
 - (a) an amount not exceeding the greater of five percent (5%) of the unpaid portion of the scheduled installment or ~~\$23.50~~ \$24.00.

§ 2-407. Security in Sales or Leases

(1) With respect to a consumer credit sale, a seller may take a security interest in the property sold. In addition, a seller may take a security interest in goods upon which services are performed or in which goods sold are installed or to which they are annexed, or in land to which the goods are affixed or which is maintained, repaired or improved as a result of the sale of the goods or services, if in the case of a security interest in land the debt secured is ~~\$4,700~~ \$4,800 or more, or, in the case of a security interest in goods the debt secured is ~~\$940~~ \$960 or more. Except as provided with respect to cross-collateral (Section 2-408), a seller may not otherwise take a security interest in property of the buyer to secure the debt arising from a consumer credit sale. :

§ 2-413. Attorney's Fees

With respect to a consumer credit sale or with respect to a consumer lease the agreement may provide for the payment by the buyer or lessee of reasonable attorney's fees not in excess of fifteen percent (15%) of the unpaid debt after default and referral to an attorney not a salaried employee of the seller, or of the lessor or his assignee; provided, however, that no attorney's fee shall be allowed if the amount financed is ~~\$4,700~~ \$4,800 or less and the credit service charge exceeds ten percent (10%) per year calculated according to the actuarial method. Provided further, however, a court may award reasonable attorney's fees to a prevailing litigant in any transaction where such fees may be awarded in accordance with other statutes of this state. A provision in violation of this section is unenforceable.

Article 3 - Loans**Part 5 – Supervised Loans****3-508A. Loan finance charge for supervised loans**

(1) With respect to a supervised loan, including a loan pursuant to a revolving loan account, a supervised lender may contract for and receive a loan finance charge not exceeding that permitted by this section.

(2) The loan finance charge, calculated according to the actuarial method, may not exceed the equivalent of the greater of either of the following:

(a) the total of

(i) 30% per year on that part of the unpaid balances of the principal which is ~~\$1,410.00~~ \$1,440.00 or less;

(ii) 21% per year on that part of the unpaid balances of the principal which is more than ~~\$1,410.00~~ \$1,440.01 but does not exceed ~~\$4,700.00~~ \$4,800.00; and

(iii) 15% per year on that part of the unpaid balances of the principal which is more than ~~\$4,700.00~~ \$4,800.01; or

(b) 21% per year on the unpaid balances of the principal.

§ 3-508B. Loan finance charge for loans with principal of ~~\$1,410.00~~ \$1,440.00 or less.

(1) On loans having a principal of ~~\$1,410.00~~ \$1,440.00 or less, a supervised lender may charge in lieu of the loan finance charges specified in Section 3-508A, the following amounts:

(a) on any amount up to and including ~~\$140.95~~ \$143.95, a charge may be added at the ratio of ~~\$4.70~~ \$4.80 for each ~~\$23.50~~ \$24.00 of principal;

(b) on any loan in an amount in excess of ~~\$140.95~~ \$143.96 up to and including the amount of ~~\$164.50~~ \$168.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~\$14.10~~ \$14.40 per month;

(c) on any loan in an amount in excess of ~~\$164.50~~ \$168.01 but not more than ~~\$329.00~~ \$336.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~\$16.45~~ \$16.80 per month;

(d) on any loan in an amount in excess of ~~\$329.00~~ \$336.01 but not in excess of ~~\$470.00~~ \$480.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~\$18.80~~ \$19.20 per month;

(e) on any loan in an amount in excess of ~~\$470.00~~ \$480.01, up to and including ~~\$705.00~~ \$720.00, there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) to the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~\$21.15~~ \$21.60 per month;

(f) on any loan in an amount in excess of ~~\$705.00~~ \$720.01 but not more than ~~\$1,410.00~~ \$1440.00 there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~\$23.50~~ \$24.00 per month.

§ 3-510. Regular Schedule of Payments – Maximum Loan Term

Supervised loans, not made pursuant to a revolving loan account, in which the principal is ~~\$4,700~~ \$4,800.00 or less and the rate of the loan finance charge calculated according to the actuarial method exceeds eighteen percent (18%) on the unpaid balances of the principal, shall be scheduled to be payable in substantially equal installments t equal periodic intervals except to the extent that the schedule of payments is adjusted to the seasonal or irregular income of the debtor; and

- (a) over a period of not more than 49 months if the principal is more than ~~\$1,410~~ \$1,440.00; or
- (b) over a period of not more than 37 months if the principal is ~~\$1,410~~ \$1,440.00 or less.

§ 3-514. Attorney's Fees

With respect to a supervised loan in which the principal is ~~\$4,700~~ \$4,800 or less, the agreement may not provide for the payment by the debtor of attorney's fees; however, a court may award reasonable attorney's fees to a prevailing litigant in any transaction where such fees may be awarded in accordance with other statutes of this state. A provision in violation of this section is unenforceable.

Article 5 – Remedies and Penalties

Part 1 – Limits on Creditor's Remedies

§ 5-103. Restrictions on deficiency judgments in consumer credit sales

(2) If the seller repossesses or voluntarily accepts surrender of goods which were the subject of the sale and in which he has a security interest and the cash price of the goods repossessed or surrendered was ~~\$4,700.00~~ \$4,800.00 or less, the buyer is not personally liable to the seller for the unpaid balance of the debt arising from the sale of the goods, and the seller is not obligated to resell the collateral.

(3) If the seller repossesses or voluntarily accepts surrender of goods which were not the subject of the sale but in which he has a security interest arising from a sale of goods or services and the cash price of the sale was ~~\$4,700.00~~ \$4,800.00 or less, the buyer is not personally liable to the seller for the unpaid balance of the debt arising from the sale.