

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 785
SENATE BILL 576

AN ACT REGARDING LOAN BROKERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 66-106 is rewritten to read:

"§ **66-106. Definitions.** — For purposes of this Article the following definitions apply:

(a) A 'loan broker' is any person, firm, or corporation who, in return for any consideration from any person, promises to (1) procure for such person, or assist such person in procuring, a loan from any third party; or (2) consider whether or not it will make a loan to such person.

(b) A 'loan' is an agreement to advance money or property in return for the promise to make payments therefor, whether such agreement is styled as a loan, a lease or otherwise.

Provided, that this Article shall not apply to any party approved as a mortgagee by the Secretary of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration, a National Mortgage Association or any federal agency; nor to any party currently designated and compensated by a North Carolina licensed insurance company as its agent to service loans it makes in this State; nor to any insurance company registered with and licensed by the North Carolina Insurance Commissioner; nor to any attorney-at-law, public accountant, or dealer registered under the North Carolina Securities Act, acting in the professional capacity for which such attorney-at-law, public accountant, or dealer is registered or licensed under the laws of the State of North Carolina. Provided further that subdivision (a)(2) above shall not apply to any lender whose loans or advances to any person, firm or corporation in North Carolina aggregate more than one million dollars (\$1,000,000) in the preceding calendar year."

Sec. 2. G.S. 66-109(a) is amended by deleting from the third line thereof the words "a copy" and inserting in lieu thereof the words "two copies".

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 2nd day of July, 1981.