

535C.2 Definitions.

1. “*Advance fee*” means consideration of any type including a payment, fee, pay-per-call charge, or deposit, which is assessed or collected prior to the closing of a loan or the issuing of a credit card.

2. “*Borrower*” means a person who seeks the services of a loan broker.

3. “*Loan*” means an agreement to advance property, including but not limited to money, in return for the promise that payment will be made for the use of the property.

4. “*Loan broker*” or “*broker*” means a person who promises to obtain a loan or credit card or assist in obtaining a loan for another from a third person, or who promises to consider making a loan or offering to issue a credit card to a person. A loan broker does not include any of the following:

a. An attorney licensed to practice in this state while engaged in the practice of law.

b. A certified public accountant licensed to practice in this state while engaged in practice as a certified public accountant.

c. An accounting practitioner, while engaged as an accounting practitioner, who procures loans as an incidental part of the accountant’s practice.

d. A governmental body or employee acting in an official capacity.

e. A financial institution, to the extent the institution’s activities or arrangements are expressly approved or regulated by a regulatory body or officer acting under authority of the United States.

f. An insurance company subject to regulation by the commissioner of insurance.

g. A bank incorporated under chapter 524.

h. A credit union incorporated under chapter 533.

i. A mortgage broker or mortgage banker licensed or registered under chapter 535B.

j. A regulated loan company licensed under chapter 536.

k. An industrial loan company licensed under chapter 536A.

5. “*Loan brokerage agreement*” or “*agreement*” means an agreement between a loan broker and a borrower in which the loan broker promises to do any of the following:

a. Obtain a loan or credit card for a borrower.

b. Assist the borrower in obtaining a loan or credit card.

c. Consider making a loan or issuing a credit card to the borrower.

6. “*Records*” means books, papers, documents, accounts, agreements, memoranda, electronic records of accounts, or correspondence relating to a matter regulated under this chapter.

7. “*Successful procurement of a loan*” means the receipt by a borrower of the loan proceeds.

83 Acts, ch 146, §2; 91 Acts, ch 205, §19; 93 Acts, ch 60, §13, 14; 2012 Acts, ch 1017, §136

Referred to in §714.16