

§ 53-181. Statements and information to be furnished to borrowers; power of attorney or confession of judgment prohibited.

(a) Contents of Statement Furnished to Borrower. – At the time a loan is made, the licensee shall deliver, or make available electronically, to the borrower, or if there are two or more borrowers, to one of them a copy of the loan contract or a written statement, showing all of the following in clear and distinct terms:

- (1) The name and address of the licensee and one of the primary obligors on the loan.
- (2) The date of the loan contract.
- (3) A schedule or description of the installments.
- (4) The loan amount.
- (5) Repealed by Session Laws 2023-61, s. 1, effective October 1, 2023.
- (6) The amount collected or paid for insurance, if any.
- (7) The amount collected or paid for filing or other fees allowed by this Article.
- (8) The collateral or security for the loan.
- (9) If the loan refinances a previous loan, the following relating to the refinanced loan: (i) the principal balance due; (ii) interest charged that is included in the new loan; and (iii) rebates on any credit insurance, listed separately.
- (10) In addition to any disclosures otherwise provided by law, a licensee soliciting loans using a facsimile or negotiable check shall provide the disclosures required by G.S. 75-20(a).
- (11) The following statement: "This loan is regulated by the provisions of the North Carolina Consumer Finance Act, Article 15 of Chapter 53 of the North Carolina General Statutes."

(b) Repealed by Session Laws 2023-61, s. 1, effective October 1, 2023.

(c) Power of Attorney or Confession of Judgment Prohibited. – No licensee shall take any confession of judgment or permit any borrower to execute a power of attorney in favor of any licensee or in favor of any third person to confess judgment or to appear for the borrower in any judicial proceeding, and a confession of judgment or power of attorney to confess judgment is void. (1955, c. 1279; 1961, c. 1053, s. 1; 1989, c. 17, s. 9; 2001-519, s. 6; 2022-75, s. 11; 2023-61, s. 1.)