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December 22, 2010

M E M O R A N D U M

TO: Retail Sales Businesses

FROM: Uniform Consumer Credit Code ("UCCC")
Telephone: (303) 866-4494
uccc@state.co.us

RE: ANNUAL NOTIFICATION FEE - DUE JANUARY 31, 2011

Credit sellers and retail merchants that regularly¹ extend consumer credit as a "creditor" must annually file and pay UCCC notification.

A "creditor" is a person or business that sells or leases goods or services to consumers and either arranges financing from others or provides its own financing. If your name appears on a retail installment contract or consumer lease as the creditor or lessor, even if you immediately sell or assign the contract to a finance company or bank, you are a creditor.

A consumer credit sale contract is entered into by a creditor and an individual person, rather than an organization; is primarily for personal, family, or household purpose; the debt is created by written agreement and includes a finance charge or interest or that has 5 or more installments; and the amount does not exceed \$75,000. [5-1-301(11), C.R.S.] If your consumer credit sale agreements do not contract for a finance charge, you are not required to file notification.

A consumer lease is entered into by a creditor and an individual person, rather than an organization; is primarily for personal, family, or household purpose; the term exceeds four months; and the amount payable under the lease does not exceed \$75,000. [5-1-301(14), C.R.S.] All companies regularly entering into consumer leases must file notification.

You are required by law to file the enclosed UCCC notification form if you make Colorado consumer credit sales or consumer leases. **If you are required to pay the fee and fail to do so, consumers have no legal obligation to pay any of the finance charges due under the credit transactions.** In addition, you must complete the "List of Assignees/Serviceers" on the back of the form.

Your payment of \$100 is due January 31st. Late payment fees of **\$5.00 per calendar day** are imposed if payment is not received by March 1st as authorized by law. This fee will continue to accrue until your notification is properly filed and all fees due are received.

¹ "Regularly" has the same meaning as in the federal Truth in Lending Act – more than 25 times if secured by other collateral or unsecured, more than 5 times if secured by a dwelling, or more than once for a loan subject to the federal Home Ownership & Equity Protection Act, in the current or prior calendar year.

OVER

Complete and return both sides of the enclosed form with your check made payable to:

Colorado Uniform Consumer Credit Code
1525 Sherman St., 7th Floor
Denver, CO 80203-1760

Please note that if you make, service, or take assignment of supervised loans (direct loans in excess of 12% APR), you must obtain a supervised lender's license. Applications are available at www.coloradoattorneygeneral.gov/uccc.

The notification form is not a license and you will not receive any certificate or acknowledgement when the notification fee is paid. Your cancelled check is your receipt.

Sole Proprietors and Individual Registrants must also provide a photocopy of your driver's license, state identification card, or other photo identification.

As of January 1, 2010, retail sales companies are required to file notification even if the contracts are sold or assigned within thirty days of the contract date. However, they are no longer required to pay volume fees. In addition, retail sales companies may be subject to periodic compliance examinations pursuant to Section 5-6-203, C.R.S.

Statutory References: Sections 5-1-301(11), (14), (17) & (42) & 5-6-201 through 5-6-203, Colorado Revised Statutes.