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## Department of Justice

February 25, 1994

Dear

By letter of February 9, 1994, you contacted our office concerning the applicability of the notification requirements in the Iowa Consumer Credit Code to

In the letter, you state that it appears that "as long as does not have an actual place of business in Iowa it technically is not subject to the notification requirement or subsequent reporting requirements and payment of the appropriate fees." I disagree with this conclusion for reasons stated below.

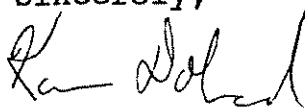
Iowa Code Section 537.6201(1) states that the notification and fees requirement applies to "creditors engaged in consumer credit transactions and acts, practices or conduct involving consumer credit transactions to which this Chapter applies pursuant to Section 537.1201." You will note that the territorial application in Section 537.1201 is very broad. Generally, the Iowa Consumer Credit Code applies to most transactions with Iowa residents regardless of whether the creditor is located in Iowa or out-of-state.

Similarly, the fees section of 537.6203(2) states that it applies to "obligations arising from consumer credit transactions entered into or modified by the person in this state." Whether is subject to the territorial application and the notification and fees section is therefore not dependent on where is located, but whether the underlying obligation has been entered into or modified within this State. If therefore is engaged in consumer credit transactions involving Iowans and it does not fall within one of the specific exceptions listed in 537.6201(1), it must comply with the notification

requirements of Iowa Code Section 537.6202 and the fee requirements of 537.6203.

I hope this letter is responsive to your inquiry. Please call or write if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen Doland".

KAREN DOLAND  
Assistant Attorney General

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