§ 66-107. Required disclosure statement.

At least seven days prior to the time any person signs a contract for the services of a loan broker, or the time of the receipt of any consideration by the loan broker, whichever occurs first, the broker must provide to the party with whom he contracts a written document, the cover sheet of which is entitled in at least 10-point bold face capital letters "DISCLOSURES REQUIRED BY NORTH CAROLINA LAW." Under this title shall appear the statement in at least 10-point type that "The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any loan brokerage contract. The information contained in this disclosure has not been verified by the State. If you have any questions see an attorney before you sign a contract or agreement." Nothing except the title and required statement shall appear on the cover sheet. The disclosure document shall contain the following information:

(1) The name of the broker; whether the broker is doing business as an individual, partnership, or corporation; the names under which the broker has done, is doing or intends to do business; and the name of any parent or affiliated companies;

(2) The names, addresses and titles of the broker's officers, directors, trustees, general partners, general managers, principal executives, and any other persons charged with responsibility for the broker's business activities; and all the broker's employees located in North Carolina;

(3) The length of time the broker has conducted business as a loan broker;

(4) The total number of loan brokerage contracts the broker has entered within the past 12 months;

(5) The number of loan brokerage contracts in which the broker has successfully obtained a loan for the prospective borrower within the past 12 months;

(6) A copy of a current (not older than 13 months) financial statement of the broker, updated to reflect any material changes in the broker's financial condition;

(7) A full and detailed description of the actual services that the broker undertakes to perform for the prospective borrower;

(8) A specific statement of the circumstances in which the broker will be entitled to obtain or retain consideration from the party with whom he contracts;

(9) One of the following statements, whichever is appropriate:

a. "As required by North Carolina law, this loan broker has secured a bond by _____
(name and address of surety company)
a surety authorized to do business in this State. Before signing a contract with this loan broker, you should check with the surety company to determine the bond's current status," or

b. "As required by North Carolina law, this loan broker has established a trust account _____
(number of account)
with _____
(name/address of bank or savings institution).
Before signing a contract with this loan broker you should check with the bank or savings institution to determine the current status of the trust account." (1979, c. 705, s. 1.)