

## Instructions

The following checklist identifies the required items that must be disclosed in the high-cost credit loan agreement made to a high-cost credit loan borrower. Applicants for a high-cost credit business licence must submit copies of their standard high-cost credit loan agreement and a sample of that loan agreement for a \$20,000 loan for 72 months, showing all fees and charges. The standard and the sample agreements must demonstrate that they both contain all the disclosure requirements set out in the legislation.

The checklist below cites the legislative authority for each disclosure requirement and briefly summarizes the nature of the requirement. A blank space has been provided for each requirement that the applicant should use to reference the requirement on the checklist to the corresponding provision in the loan agreement that meets the requirement.

You may use a numbering system to cross reference the requirements with the compliance item in your agreement. For example, Section 83.17(2)(a)(i) of the **Consumer Protection and Business Practices Act** requires the loan agreement to name the lender. On the standard and sample agreements, you may place the number “1” over or opposite the location on the agreement where the lender’s name is disclosed. That same number should then be placed on this checklist opposite that requirement. In some instances, the reference number may appear more than once in your agreement document. Section 83.17(2)(m) requires the agreement to disclose each of the other charges that apply as well as the amount of each of those charges. In this instance the applicant may assign the number 2 to this requirement and write the number “2” more than once on the loan agreement to indicate the number of times this information is disclosed in the agreement.

Depending on the nature of your business model, not all disclosure requirements may be applicable. For example, if you do not use a credit card to advance funds to the borrower, the provisions relating to cash cards would not apply to your loans. Therefore, the applicant may simply write “N/A” in the space provided on the checklist to indicate this requirement is Not Applicable to the loan agreement offered by your business.

Note that this Compliance Checklist is only applicable to the high-cost credit loan agreement.

## Access to Information and Protection of Privacy

Service NL collects personal information relating to high-cost credit businesses under the authority of the **Consumer Protection and Business Practices Act**. Personal information collected by the Government of Newfoundland and Labrador is protected under Section 40(1) of the **Access to Information and Protection of Privacy Act, 2015**. If you have any questions about the collection or use of this information, please contact the Consumer Affairs Division at telephone: 709-729-2600; toll free in Newfoundland and Labrador: 1-877-829-2608 or by email at [consumeraffairs@gov.nl.ca](mailto:consumeraffairs@gov.nl.ca).

# High-Cost Credit Agreement Checklist

## Consumer Protection and Business Practices Act

Legislative Reference	Applicant's Reference	Requirement
83.17(2)(a)(i)		Legal name of incorporated business
83.17(2)(a)(i)		Operating business name if different from legal business name
83.17(2)(a)(ii)		Business civic address
83.17(2)(a)(ii)		Business mailing address if different from civic address
83.17(2)(a)(iii)		High-cost credit business license number
83.17(2)(a)(iii)		High-cost credit business telephone number
83.17(2)(a)(iii)		High-cost credit business facsimile number
83.17(2)(a)(iii)		High-cost credit business email address
83.17(2)(b)		Borrower's name
83.17(2)(c)		Date of the agreement
83.17(2)(c)		Date of first and subsequent advances will be made to the borrower
83.17(2)(d)		Statement that the high-cost credit product is a high-cost credit product
83.17(2)(e)		Statement of the type of high-cost credit product
83.17(2)(f)		Principal of the high-cost credit product or the amount of funds available
83.17(2)(g)		Term of the high-cost credit product
83.17(2)(g)		The date on which each payment is due to the high-cost credit grantor and the amount of each of those payments
83.17(2)(h)(i)		Each method by which the borrower may access funds for each transfer or advance
83.17(2)(h)(ii)		Date or dates on which the first and any other transfers or advances to the borrower will be made
83.17(2)(h)(iii)		Amount of funds transferred or advanced, on each transfer or advance, to the borrower
83.17(2)(h)(iv)		Cost of each method of accessing the funds on each transfer or advance
83.17(2)(i)(i)		Date and time the cash card is issued to the borrower
83.17(2)(i)(ii)		Amount of credit available on the cash card issued to the borrower
83.17(2)(i)(iii)		Statement that third party service provider charges may apply for use of the card
83.17(2)(i)(iv)		The expiry date of the cash card
83.17(2)(j)		Information stating the fee, penalty, commission, consideration, charge or other amount subject to interest, the interest rate, how interest is calculated and compounded, how, when and why the interest rate will or may change and a statement of the total amount of interest that is payable on the high-cost credit product and what is included in the calculation of that amount
83.17(2)(k)		Annual interest rate, and if applicable, the APR
83.17(2)(l)(i)		Total cost of credit expressed as a dollar amount
83.17(2)(l)(ii)		Total cost of credit expressed as a dollar amount based on the maximum available if the high-cost credit product is repaid within the time period prescribed in the regulations

**High-Cost Credit Agreement Checklist**  
**Consumer Protection and Business Practices Act**

83.17(2)(m)		Information stating the fee, penalty, commission, consideration, charge or other amount that will or may be payable by or on behalf of the borrower to the high-cost credit grantor or a third-party service provider
83.17(2)(n)		Information stating how, how often and why the fee, penalty, commission, consideration, charge or other amount referred to in paragraph (m) will or may be payable and what will or may happen if the borrower fails to pay a fee, penalty, commission, consideration, charge or other amount
83.17(2)(o)		Information stating how each payment will be applied to the accumulated cost of credit and the principal
83.17(2)(p)		Information stating of the borrower's right to make full or partial payment and how to exercise that right
83.17(2)(q)		The security interest that will or may be required from the borrower
83.17(2)(r)		The grace period that will or may apply and what conditions, if any, the borrower must meet to benefit from it
83.17(2)(s)		Information stating what will or may happen if the borrower fails to make a payment when it comes due, including <ul style="list-style-type: none"> <li>• The default charges or penalties will or may be payable by the borrower;</li> <li>• How and when the terms and conditions of the high-cost credit agreement will or may be affected by the missed payment; and</li> <li>• What will or may happen to any collateral or security</li> </ul>
83.17(2)(t)		Information stating of when and in what circumstances the high-cost credit grantor will or may demand payment in full from the borrower
83.17(2)(u)		Information stating each good or service that shall also be purchased by the borrower, how to purchase it, why it is required and how much it will cost
83.17(2)(v)		Information stating the nature, amount and timing of payments for any optional product purchased by the borrower for which payments are to be made to or through the high-cost credit grantor
83.17.(2)(w)		Information stating the conditions under which the borrower may terminate an optional product purchased
83.17(2)(x)		Information stating how, when and in what circumstances the high-cost credit grantor will or may cancel the high-cost credit agreement
83.17(2)(y)		Statement of the borrower's right to cancel under section 83.16; instructions on how to exercise the right to cancel and identification of the timelines in which to cancel
83.17(2)(z)		Statement of the remedies available to the borrower under section 83.22
83.17(2)(aa)		Any other term, information or statement that may be prescribed in the regulations