

Installment Sales Act  
Chapter 45, Article 3  
§§ 45-334 to 45-353

**45-334**

***Act, how cited.***

Sections 45-334 to 45-353 shall be known and may be cited as the Nebraska Installment Sales Act.

**Last amended:**

Laws 2007, LB 124, § 31

~ Revised Statutes Supplement, 2007

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**45-335**

***Terms, defined.***

For purposes of the Nebraska Installment Sales Act, unless the context otherwise requires:

(1) Goods means all personal property, except money or things in action, and includes goods which, at the time of sale or subsequently, are so affixed to realty as to become part thereof whether or not severable therefrom;

(2) Services means work, labor, and services of any kind performed in conjunction with an installment sale but does not include services for which the prices charged are required by law to be established and regulated by the government of the United States or any state;

(3) Buyer means a person who buys goods or obtains services from a seller in an installment sale;

(4) Seller means a person who sells goods or furnishes services to a buyer under an installment sale;

(5) Installment sale means any transaction, whether or not involving the creation or retention of a security interest, in which a buyer acquires goods or services from a seller pursuant to an agreement which provides for a time-price differential and under which the buyer agrees to pay all or part of the time-sale price in one or more installments and within one hundred forty-five months, except that installment contracts for the purchase of mobile homes may exceed such one-hundred-forty-five-month limitation. Installment sale does not include a consumer rental purchase agreement defined in and regulated by the Consumer Rental Purchase Agreement

Act;

(6) Installment contract means an agreement entered into in this state evidencing an installment sale except those otherwise provided for in separate acts;

(7) Cash price or cash sale price means the price stated in an installment contract for which the seller would have sold or furnished to the buyer and the buyer would have bought or acquired from the seller goods or services which are the subject matter of the contract if such sale had been a sale for cash instead of an installment sale. It may include the cash price of accessories or services related to the sale such as delivery, installation, alterations, modifications, and improvements and may include taxes to the extent imposed on the cash sale;

(8) Basic time price means the cash sale price of the goods or services which are the subject matter of an installment contract plus the amount included therein, if a separate identified charge is made therefor and stated in the contract, for insurance, registration, certificate of title, and license fees, filing fees, an origination fee, and fees and charges prescribed by law which actually are or will be paid to public officials for determining the existence of or for perfecting, releasing, or satisfying any security related to the credit transaction or any charge for nonfiling insurance if such charge does not exceed the amount of fees and charges prescribed by law which would have been paid to public officials for filing, perfecting, releasing, and satisfying any security related to the credit transaction and less the amount of the buyer's downpayment in money or goods or both;

(9) Time-price differential, however denominated or expressed, means the amount, as limited in the Nebraska Installment Sales Act, to be added to the basic time price;

(10) Time-sale price means the total of the basic time price of the goods or services, the amount of the buyer's downpayment in money or goods or both, and the time-price differential;

(11) Sales finance company means a person purchasing one or more installment contracts from one or more sellers. Sales finance company includes, but is not limited to, a financial institution or installment loan licensee, if so engaged;

(12) Director means the Director of Banking and Finance;

(13) Financial institution has the same meaning as in section 8-101;

(14) Debt cancellation contract means a loan term or contractual arrangement modifying loan terms under which a financial institution agrees to cancel all or part of a buyer's obligation to repay an extension of credit from the financial institution upon the occurrence of a specified event. The debt cancellation contract may be separate from or a part of other loan documents. The term debt cancellation contract

does not include loan payment deferral arrangements in which the triggering event is the buyer's unilateral election to defer repayment or the financial institution's unilateral decision to allow a deferral of repayment; and

(15) Debt suspension contract means a loan term or contractual arrangement modifying loan terms under which a financial institution agrees to suspend all or part of a buyer's obligation to repay an extension of credit from the financial institution upon the occurrence of a specified event. The debt suspension contract may be separate from or a part of other loan documents. The term debt suspension contract does not include loan payment deferral arrangements in which the triggering event is the buyer's unilateral election to defer repayment or the financial institution's unilateral decision to allow a deferral of repayment.

**Last amended:**

Laws 2006, LB 876, § 25

**Cross References:**

Consumer Rental Purchase Agreement Act, see section 69-2101.

~ Revised Statutes Cumulative Supplement, 2006

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**45-336**

***Installment contract; requirements.***

(1) Each retail installment contract shall be in writing, shall be signed by both the buyer and the seller, and shall contain the following items and a copy thereof shall be delivered to the buyer at the time the instrument is signed, except for contracts made in conformance with section 45-340: (a) The cash sale price; (b) the amount of the buyer's downpayment, and whether made in money or goods, or partly in money and partly in goods, including a brief description of any goods traded in; (c) the difference between subdivisions (a) and (b) of this subsection; (d) the amount included for insurance if a separate charge is made therefor, specifying the types of coverages; (e) the amount included for a debt cancellation contract or a debt suspension contract if the debt cancellation contract or debt suspension contract is a contract of a financial institution, such contract is sold directly by such financial institution or by an unaffiliated, nonexclusive agent of such financial institution in accordance with 12 C.F.R. part 37, as such part existed on January 1, 2006, and the financial institution is responsible for the unaffiliated, nonexclusive agent's compliance with such part, and a separate charge is made therefor; (f) the basic time price, which is the sum of subdivisions (c) and (d) of this subsection; (g) the time-price differential; (h) the amount of the time-price balance, which is the sum of subdivisions (f) and (g) of this subsection, payable in installments by the buyer to the seller; (i) the number, amount, and due date or period of each installment;

and (j) the time-sales price.

(2) The contract shall contain substantially the following notice: NOTICE TO THE BUYER. DO NOT SIGN THIS CONTRACT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THE CONTRACT YOU SIGN.

(3) The items listed in subsection (1) of this section need not be stated in the sequence or order set forth in such subsection. Additional items may be included to explain the computations made in determining the amount to be paid by the buyer. No installment contract shall be signed by the buyer or proffered by seller when it contains blank spaces to be filled in after execution, except that if delivery of the goods or services is not made at the time of the execution of the contract, the identifying numbers or marks of the goods, or similar information, and the due date of the first installment may be inserted in the contract after its execution.

(4) If a seller proffers an installment contract as part of a transaction which delays or cancels, or promises to delay or cancel, the payment of the time-price differential on the contract if the buyer pays the basic time price, cash price, or cash sale price within a certain period of time, the seller shall, in clear and conspicuous writing, either within the installment contract or in a separate document, inform the buyer of the exact date by which the buyer must pay the basic time price, cash price, or cash sale price in order to delay or cancel the payment of the time-price differential. The seller or any subsequent purchaser of the installment contract, including a sales finance company, shall not be allowed to change such date.

(5) Upon written request from the buyer, the holder of an installment contract shall give or forward to the buyer a written statement of the dates and amounts of payments and the total amount unpaid under such contract. A buyer shall be given a written receipt for any payment when made in cash.

(6) After payment of all sums for which the buyer is obligated under a contract, the holder shall deliver or mail to the buyer at his or her last-known address one or more good and sufficient instruments or copies thereof to acknowledge payment in full and shall release all security in the goods and mark canceled and return to the buyer the original agreement or copy thereof or instruments or copies thereof signed by the buyer. For purposes of this section, a copy shall meet the requirements of section 25-12,112.

**Last amended:**

Laws 2006, LB 876, § 26

~ Revised Statutes Cumulative Supplement, 2006

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**45-337**

***Insurance; policy; cancellation; premium refund; fee.***

(1) The amount, if any, included for insurance, which may be purchased by the holder of the contract, shall not exceed the applicable premium rates chargeable in accordance with filings, if any, with the Department of Insurance. If dual interest insurance on the goods is purchased by the holder it shall, within thirty days after execution of the installment contract, send or cause to be sent to the buyer a policy or policies or certificate of insurance, written by an insurance company authorized to do business in this state, clearly setting forth the amount of the premium, the kind or kinds of insurance, the coverages, and all the terms and conditions of the contract or contracts of insurance.

(2) If any insurance is canceled or the premium adjusted during the term of the installment contract, any refund of the insurance premium plus the unearned time-price differential thereon received by the holder shall be credited by the holder to the last maturing installment of the contract except to the extent applied toward payment for similar insurance protecting the interests of the buyer and the holder or either of them.

(3) If any insurance is canceled due to the payment of all sums for which the buyer is liable under an installment contract, the holder of the installment contract shall, upon receipt of payment of all sums due, send notice to the buyer within fifteen business days of the name, address, and telephone number of the insurance company which issued the insurance contract or the party responsible for any refund, and notice that the buyer may be eligible for a refund. A copy of such notice shall be retained by the holder of the installment contract. This subsection does not apply if the holder of the loan contract previously credited the refund of the insurance premium to the loan contract or otherwise refunded the insurance premium to the buyer.

(4) The holder may also purchase nonfiling insurance and charge a reasonable fee. The fee shall not exceed the amount of fees and charges prescribed by law which would have been paid to public officials for filing, perfecting, releasing, and satisfying any lien or security interest in the goods or services.

**Last amended:**

Laws 2002, LB 957, § 21

~ Reissue Revised Statutes of Nebraska

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**45-338**

***Installment contract; time-price differential; rate; maximum; origination fee.***

(1)(a) Notwithstanding the provisions of any other law, the time-price differential for any goods or services sold under an installment contract shall be stated as a fixed or variable annual percentage rate and shall be at a rate agreed to in writing, not to exceed eighteen percent per annum, except that a minimum time-price differential of ten dollars may be charged on any installment contract.

(b)(i) A buyer may be required, upon the execution of the installment contract, to pay an origination fee of not to exceed ten dollars, except that if the installment contract is for an installment sale of agricultural machinery or equipment for use in commercial agriculture or if the installment contract is for an installment sale of industrial machinery or equipment the buyer may be required to pay (A) an origination fee of not to exceed one hundred dollars if the cash sale price is less than twenty-five thousand dollars or (B) an origination fee of not to exceed two hundred fifty dollars if the cash sale price is twenty-five thousand dollars or more.

(ii) The origination fee shall be refundable if the installment contract is canceled during the first thirty days. The origination fee may be collected from the buyer or included in the principal balance of the installment contract at the time the contract is made and shall not be considered interest or a time-price differential.

(c) Nothing in the Nebraska Installment Sales Act prohibits a seller or holder of an installment contract from contracting for, computing, and charging a time-price differential based upon the application of the rate charged to the unpaid principal balance for the number of days actually elapsed. The charges so computed shall be used for the purpose of calculating the time-price differential, the time-price balance, the amount of each installment, and the time-sale price.

(d) When the installment contract is payable in substantially equal and consecutive monthly installments, the time-price differential shall be computed on the basic time price of each contract, as determined under the provisions of section 45-336, from the date of the contract until the due date of the final installment, notwithstanding that the time-price balance is required to be paid in installments.

(2) When an installment contract provides for payment other than in substantially equal and consecutive monthly installments, the time-price differential may be at a rate which will provide the same return as is permitted on substantially equal monthly payment contracts under subdivision (1)(d) of this section, having due regard for the schedule of payments.

(3) Every contract payable in two or more installments shall provide for payment of such installments by stating the date and amount of each installment or the method by which any variable rate or installment shall be determined.

**Last amended:**

Laws 2003, LB 71, § 1

~ Reissue Revised Statutes of Nebraska

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**45-339**

***Subsequent purchases; consolidate with previous contract; requirements.***

Where a buyer makes any subsequent purchases of goods or services from a seller from whom he has previously purchased goods or services under one or more installment contracts and the amounts under such contract or contracts to the extent of cash sale price thereof have not been fully paid the subsequent purchases may be included in and consolidated with one or more of the prior contract or contracts. A memorandum of such additional purchases shall be prepared by the seller and inserted in or attached to the seller's counterpart of the contract and shall set forth:

(1) The names of the seller and the buyer and a description of the additional goods or services sold and all the information with respect to the additional purchase required by section 45-336 to be included in an installment contract;

(2) The consolidated time-price balance to be paid by the buyer; and

(3) The revised payments.

A copy of such memorandum shall be delivered to the buyer as provided in and subject to the provisions of section 45-336. When such subsequent purchases are made, the entire amount of all payments made prior to such subsequent purchases shall be deemed to have been applied on previous purchases.

Each payment thereafter made on a consolidated installment contract shall be deemed to be allocated to all of the various purchases in the same ratio or proportion as the original cash sale prices of the various purchases bear to one another. Where the amount of each deferred payment is increased in connection with such subsequent purchase, the subsequent payments, at the seller's option, may be deemed to be allocated as follows: An amount equal to the original installment payment to the previous purchase, the balance to the subsequent purchase. The amount of any initial payment or downpayment on the subsequent purchase shall be allocated in its entirety to such subsequent purchase. The provisions of this section shall not apply to cases involving equipment, parts, or to other merchandise attached or affixed to goods previously purchased, or to repairs or services in connection therewith rendered by the seller at the buyer's request.

**Last amended:**

Laws 1965, c. 268, § 6, p. 761

~ Reissue Revised Statutes of Nebraska

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**45-340**

***Contracts negotiated by mail; requirements.***

Installment contracts negotiated and entered into by mail without personal solicitation by salesmen or other representatives of the seller and based upon the catalog of the seller or other printed solicitation of business, which is distributed and made available generally to the public, if such catalog or other printed solicitation clearly sets forth the cash and

time-sale prices and other terms of sales to be made through such medium, may be made as provided in this section. All provisions of the Nebraska Installment Sales Act shall apply to such sales except that the seller shall not be required to deliver a copy of the contract to the buyer as provided in section 45-336 and if the contract when received by the seller contains any blank spaces the seller may insert in the appropriate blank space the amounts of money and other terms which are set forth in the seller's catalog or other printed solicitation which is then in effect. In lieu of sending the buyer a copy of the contract as provided in section 45-336, the seller shall furnish to the buyer a written statement of any items inserted in the blank spaces in the contract received from the buyer.

**Last amended:**

Laws 2007, LB 124, § 32

~ Revised Statutes Supplement, 2007

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**45-341**

***Delinquency charges; limitation; fee.***

An installment contract may provide and the holder thereof may collect, in addition to any time-price differential, a delinquency charge on each installment in default for a period of not less than fifteen days, if provided for in the contract, not in excess of five percent of each installment or twenty-five dollars, whichever is less, or, in lieu thereof, interest after maturity on each such installment not exceeding the highest permissible contract rate. If the time-price differential is computed by application of the rate charged to the unpaid principal balance for the number of days actually elapsed, such delinquency charge may not exceed five percent of each installment or twenty-five dollars, whichever is less. If any installment payment is made by a check, draft, or similar signed order which is not honored because of insufficient funds, no account, or any other reason except an error of a third party to the contract, the holder may charge and collect a fee of not more than fifteen dollars. The delinquency charge and such fee may be collected when due or at any time thereafter.

When an installment contract is for a commercial or business purpose (1) a delinquency charge not to exceed five percent of each unpaid installment may be contracted for and received and (2) the holder of any check or draft or similar order which is not honored for any reason, except for error of a third party, may charge and collect a fee as stated in the contract. As used in this section, commercial or business purpose means primarily for a purpose other than a personal, family, or household purpose.

**Last amended:**

Laws 1995, LB 339, § 1

**45-342**

***Prepayment; rebate; how computed.***

(1) Notwithstanding the provisions of any contract to the contrary, any buyer may prepay in full at any time before maturity the obligation of any contract.

(2) If such obligation is prepaid in full by cash, a new loan, or otherwise after the first installment due date, the borrower shall receive a rebate of an amount which shall be not less than the amount obtained by applying to the unpaid principal balances as originally scheduled or, if deferred, as deferred, for the period following prepayment, according to the actuarial method, the rate of the time-price differential previously stated to the borrower. The licensee may round the rate of the time-price differential to the nearest one-half of one percent if such procedure is not consistently used to obtain a greater yield than would otherwise be permitted. Any default and deferment charges which are due and unpaid may be deducted from any rebate. No rebate shall be required for any partial prepayment. No rebate of less than one dollar need be made. Acceleration of the maturity of the contract shall not in itself require a rebate. If judgment is obtained before the final installment date, the contract balance shall be reduced by the rebate which would be required for prepayment in full as of the date judgment is obtained.

**Last amended:**

Laws 2004, LB 999, § 34

Effective date July 16, 2004.

**45-343**

***Failure to obtain license; penalty.***

Any person who violates any provision of the Nebraska Installment Sales Act or acts as a sales finance company in this state without a license therefor as provided in the Nebraska Installment Sales Act shall be guilty of a Class II misdemeanor.

**Last amended:**

Laws 2003, LB 217, § 35

**45-344**

***Excess charges; penalty.***

If any seller or sales finance company, in the making or collection of an installment contract, shall, directly or indirectly, contract for, take, or receive charges in excess of those authorized by the Nebraska Installment Sales Act except as a result of an accidental and bona fide error such contract shall be void and uncollectible as to (1) all of the excessive portion of the time-price differential, (2) the first one thousand dollars of the time-price differential authorized by section 45-338, and (3) the first four thousand dollars of the principal of the contract. If any seller or sales finance company violates any provision of the act, other than the violations described above, except as a result of an accidental and bona fide error, such installment contract shall be void and uncollectible as to the first five hundred dollars of the time-price differential and the first one thousand dollars of the principal of such contract. If any of such money has been paid by the buyer, such buyer or his or her assignee may recover under the act in a civil suit brought within one year after the due date, or any extension thereof, of the last installment of the contract.contract.

**Last amended:**

Laws 2007, LB 124, § 33

~ Revised Statutes Supplement, 2007

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**45-345**

***License; requirement; exception.***

(1) No person shall act as a sales finance company in this state without obtaining a license therefor from the Department of Banking and Finance as provided in the Nebraska Installment Sales Act whether or not such person maintains an office, place of doing business, or agent in this state, unless such person meets the requirements of section 45-340.

(2) No financial institution or installment loan licensee authorized to do business in this state shall be required to obtain a license under the act but shall comply with all of the other provisions of the act.

(3) A seller who does not otherwise act as a sales finance company shall not be required to obtain a license under the act but shall comply with all of the other provisions of the act in order to charge the time-price differential allowed by section 45-338.

**Last amended:**

Laws 2003, LB 131, § 28

Laws 2003, LB 217, § 36

~ Reissue Revised Statutes of Nebraska

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**45-346**

***License; application; issuance; fee; revocation; requirements.***

(1) Each place of business operating under a license under the Nebraska Installment Sales Act shall have and properly display therein a nontransferable and nonassignable license. The same person may obtain additional licenses upon compliance with the act as to each license.

(2) Application for a license shall be on a form prescribed and furnished by the director and shall include audited financial statements showing a minimum net worth of one hundred thousand dollars. If the applicant is an individual or a sole proprietorship, the application shall include the applicant's social security number.

(3) An applicant for a license shall file with the Department of Banking and Finance a surety bond in the amount of fifty thousand dollars, furnished by a surety company authorized to do business in this state. The bond shall be for the use of the State of Nebraska and any Nebraska resident who may have claims or causes of action against the applicant. The surety may cancel the bond only upon thirty days' written notice to the director.

(4) A license fee of one hundred fifty dollars shall be submitted along with each application.

(5) The license year shall begin on October 1 of each year. Each license shall remain in force until revoked, suspended, canceled, expired, or surrendered.

(6) The director shall, after an application has been filed for a license under the act, investigate the facts, and if he or she finds that the experience, character, and general fitness of the applicant, of the members thereof if the applicant is a corporation or association, and of the officers and directors thereof if the applicant is a corporation, are such as to warrant belief that the business will be operated honestly, fairly, and efficiently within the purpose of the act, the director shall issue and deliver a license to the applicant to do business as a sales finance company in accordance with the license and the act. The director shall have the power to reject for cause any application for a license.

(7) The director shall, within his or her discretion, make an examination and inspection concerning the propriety of the issuance of a license to any applicant. The cost of such examination and inspection shall be borne by the applicant.

(8) If a change of control of a licensee is proposed, a new application for a license shall be submitted to the department. Control in the case of a corporation means (a) direct or indirect ownership of or the right to control twenty-five percent or more of the voting shares of the corporation or (b) the ability of a person or group acting in concert to elect a majority of the directors or otherwise effect a change in policy. Control in the case of any other entity means any change in the principals of the organization, whether active or passive.

**Last amended:**

Laws 2007, LB 124, § 34

~ Revised Statutes Supplement, 2007

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**45-346.01**

***Licensee; move of place of business; maintain minimum net worth; bond; existing licensee; how treated.***

(1) A licensee may move its place of business from one place to another within a county without obtaining a new license if the licensee gives written notice thereof to the director at least ten days prior to such move.

(2) A licensee shall maintain the minimum net worth as required by section 45-346 while a license issued under the Nebraska Installment Sales Act is in effect. The minimum net worth shall be proven by an annual audit conducted by a certified public accountant. A licensee shall submit a copy of the annual audit to the director within forty-five days after the audit is completed. If a licensee fails to maintain the required minimum net worth, the Department of Banking and Finance may issue a notice of cancellation of the license in lieu of revocation proceedings.

(3) The surety bond or a substitute bond as required by section 45-346 shall remain in effect while a license issued under the Nebraska Installment Sales Act is in effect. If a licensee fails to maintain a surety bond or substitute bond, the licensee shall immediately cease doing business and surrender the license to the department. If the licensee does not surrender the license, the department may issue a notice of cancellation of the license in lieu of revocation proceedings.

(4) Until October 1, 2008, a licensee licensed prior to September 1, 2007, may operate with no net worth or bonding requirement as provided for at the time such licensee was originally licensed.

**Last amended:**

Laws 2007, LB 124, § 35

~ Revised Statutes Supplement, 2007

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**45-347**

***Fees; disposition.***

All money collected under the authority of the Nebraska Installment Sales Act shall be

remitted to the State Treasurer for credit to the Financial Institution Assessment Cash Fund.

**Last amended:**

Laws 2007, LB 124, § 36

~ Revised Statutes Supplement, 2007

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**45-348**

***License; renewal; fee; voluntary surrender of license.***

(1) Every licensee shall, on or before the first day of October, pay to the director the sum of one hundred fifty dollars for each license held as a license fee for the succeeding year. Failure to pay such license fee within the time prescribed shall automatically revoke such license.

(2) A licensee may voluntarily surrender a license at any time by delivering to the director written notice of the surrender. The Department of Banking and Finance shall issue a notice of cancellation of the license following such surrender.

(3) If a licensee fails to renew its license and does not voluntarily surrender the license pursuant to this section, the department may issue a notice of expiration of the license to the licensee in lieu of revocation proceedings.

**Last amended:**

Laws 2005, LB 533, § 48

~ Revised Statutes Cumulative Supplement, 2006

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**45-349**

***Repealed. Laws 1983, LB 447, s. 104.***

~ Reissue Revised Statutes of Nebraska

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**45-350**

***License; denial of renewal; suspension; revocation; appeal.***

(1) Renewal of a license originally granted under the Nebraska Installment Sales Act may be denied or a license may be suspended or revoked by the director on the following grounds: (a) Material misstatement in the application for license; (b) willful failure to comply with any provision of the Nebraska Installment Sales Act relating to installment contracts; (c) defrauding any buyer to the buyer's damage; or (d) fraudulent

misrepresentation, circumvention, or concealment by the licensee through whatever subterfuge or device of any of the material particulars or the nature thereof required to be stated or furnished to the buyer under the Nebraska Installment Sales Act.

(2) If a licensee is a partnership, limited liability company, association, or corporation, it shall be sufficient cause for the suspension or revocation of a license that any officer, director, or trustee of a licensed association or corporation or any member of a licensed partnership or limited liability company has so acted or failed to act as would be cause for suspending or revoking a license to such party as an individual.

(3) No license shall be denied, suspended, or revoked except after hearing in accordance with the Administrative Procedure Act. The director shall give the licensee at least ten days' written notice, in the form of an order to show cause, of the time and place of such hearing by either registered or certified mail addressed to the principal place of business in this state of such licensee. Such notice shall contain the grounds of complaint against the licensee. Any order suspending or revoking such license shall recite the grounds upon which the same is based. The order shall be entered upon the records of the director and shall not be effective until after thirty days' written notice thereof given after such entry forwarded by either registered or certified mail to the licensee at such principal place of business.

(4) Revocation, suspension, cancellation, expiration, or surrender of any license shall not impair or affect the obligation of any lawful installment contract acquired previously thereto by the licensee.

(5) Revocation, suspension, cancellation, expiration, or surrender of any license shall not affect civil or criminal liability for acts committed before the revocation, suspension, cancellation, expiration, or surrender or affect liability for any fines which may be levied against the licensee or any of its officers, directors, shareholders, partners, or members pursuant to the Nebraska Installment Sales Act for acts committed before the revocation, suspension, cancellation, expiration, or surrender.

(6) Any person, licensee, or applicant considering himself or herself aggrieved by an order of the director entered under the provisions of this section may appeal the order. The appeal shall be in accordance with the Administrative Procedure Act.

**Last amended:**

Laws 2005, LB 533, § 49

**Cross References:**

Administrative Procedure Act, see section 84-920.

~ Revised Statutes Cumulative Supplement, 2006

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**45-351**

***Licensee; investigation and inspection; director; appoint examiners; charges; fines; lien.***

(1) The Department of Banking and Finance shall be charged with the duty of inspecting the business, records, and accounts of all persons who engage in the business of a sales finance company subject to the Nebraska Installment Sales Act. The director shall have the power to appoint examiners who shall, under his or her direction, investigate the installment contracts and business and examine the books and records of licensees when the director shall so determine. Such examinations shall not be conducted more often than annually except as provided in subsection (2) of this section.

(2) The director or his or her duly authorized representative shall have the power to make such investigations as he or she shall deem necessary, and to the extent necessary for this purpose, he or she may examine such licensee or any other person and shall have the power to compel the production of all relevant books, records, accounts, and documents.

(3) The expenses of the director incurred in the examination of the books and records of licensees shall be charged to the licensees as set forth in sections 8-605 and 8-606. The director may charge the costs of an investigation of a nonlicensed person to such person, and such costs shall be paid within thirty days after receipt of billing.

(4) Upon receipt by a licensee of a notice of investigation or inquiry request for information from the department, the licensee shall respond within twenty-one calendar days. Each day a licensee fails to respond as required by this subsection shall constitute a separate violation.

(5) If the director finds, after notice and opportunity for hearing in accordance with the Administrative Procedure Act, that any person has willfully and intentionally violated any provision of the Nebraska Installment Sales Act, any rule or regulation adopted and promulgated under the act, or any order issued by the director under the act, the director may order such person to pay (a) an administrative fine of not more than one thousand dollars for each separate violation and (b) the costs of investigation. All fines collected by the department pursuant to this subsection shall be remitted to the State Treasurer for credit to the permanent school fund.

(6) If a person fails to pay an administrative fine and the costs of investigation ordered pursuant to subsection (5) of this section, a lien in the amount of such fine and costs may be imposed upon all assets and property of such person in this state and may be recovered in a civil action by the director. The lien shall attach to the real property of such person when notice of the lien is filed and indexed against the real property in the office of the register of deeds in the county where the real property is located. The lien shall attach to any other property of such person when notice of the lien is filed against the property in the manner prescribed by law. Failure of the person to pay such fine and costs shall constitute a separate violation of the Nebraska Installment Sales Act.

**Last amended:**

Laws 2007, LB 124, § 37

**Cross References:**

Administrative Procedure Act, see section 84-920.

~ Revised Statutes Supplement, 2007

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**45-351.01**

***Holder of contract; extension or deferment authorized; fee.***

The holder of a retail installment contract may, upon agreement with the buyer:

(1) Extend the scheduled due date or defer the scheduled payment of any installment payment under the retail installment contract; and

(2) Charge and collect a reasonable flat service fee for such extension or deferment in addition to the time-price differential calculated for the period of such extension or deferment at the rate originally agreed upon in the retail installment contract on the outstanding balance.

**Last amended:**

Laws 1994, LB 979, § 14

~ Reissue Revised Statutes of Nebraska

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**45-352**

***Rules and regulations; adopt.***

The director shall have the power to make such general rules and regulations and specific rulings, demands and findings as may be necessary for the proper conduct of the business licensed under the Nebraska Sales Act, and the enforcement of the act, in addition thereto and not inconsistent therewith.

**Last amended:**

Laws 2007, LB 124, § 38

~ Revised Statutes Supplement, 2007

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**45-353**

***Violations; enforcement; receiver; appointment; powers; duties.***

(1) Whenever the director has reasonable cause to believe that any person is violating or is threatening to or intends to violate any of the provisions of the Nebraska Sales Act, he or she may, in addition to all actions provided for in the act and without prejudice thereto, enter an order requiring such person to desist or to refrain from such violation. An action may also be brought, on the relation of the Attorney General or the director, to enjoin such person from engaging in or continuing such violation or from doing any act or acts in furtherance thereof.

(2) In any such action an order or judgment may be entered awarding such preliminary or final injunction as may be deemed proper. In addition to all other means provided by law for the enforcement of a restraining order or injunction, the court, in which such action is brought, shall have power and jurisdiction to impound and appoint a receiver for the property and business of the defendant, including books, papers, documents, and records pertaining thereto or so much thereof as the court may deem reasonably necessary to prevent violations of the Nebraska Sales Act through or by means of the use of such property and business. Such receiver, when so appointed and qualified, shall have such powers and duties as to custody, collection, administration, winding up and liquidation of such property and business as shall, from time to time, be conferred upon him or her by the court.

**Last amended:**

Laws 2007, LB 124, § 39

~ Revised Statutes Supplement, 2007