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**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**Skip-a-Payment and Expedited Payment Fees on Consumer Credit Transactions**

The seven Member Board of the Department of Financial Institutions (DFI) approved a skip-a-payment fee as well as an on-demand/expedited payment fee for all creditors under the provisions of [IC 24-4.5-2-202\(1\)\(c\)](#) and [IC 24-4.5-3-202\(1\)\(e\)](#). Both charges were approved subject to specific terms and conditions which are detailed below. This was at the regularly scheduled meeting on August 10, 2006.

I move that an Additional Charge, pursuant to [IC 24-4.5-3-202\(1\)\(e\)](#) and [IC 24-4.5-2-202\(1\)\(c\)](#), be approved for a service commonly known as Skip-a-Payment ("SAP"). Assessment of a fee for this service will constitute an approved Additional Charge when the following conditions are met:

- The loan has an APR of 18% or less.
- The term of the loan, if closed-end, is 84 months or less.
- The maximum SAP fee per occurrence is \$25.
- The SAP fee may not be assessed more than twice in a twelve-month period.
- The SAP fee may only be assessed on simple interest loans.
- No delinquency charge can be assessed on any payment where a SAP fee has been assessed.
- The creditor must comply with all applicable disclosures, and provide clear contractual modifications, at the time of the occurrence.
- The borrower signs an agreement indicating the amount of the SAP fee at the time of the occurrence.
- The creditor's process will provide an audit trail to allow DFI examiners to confirm compliance with these conditions.

This Additional Charge is approved for all providers of consumer credit who are subject to the Indiana Uniform Consumer Credit Code.

Additionally, the Members of the Department reserve the right to review and reconsider this approval, and these conditions, as necessary.

I move that an Additional Charge, pursuant to [IC 24-4.5-3-202\(1\)\(e\)](#) and [IC 24-4.5-2-202\(1\)\(c\)](#), be approved for a service commonly known as Expedited Payment ("EP"). Assessment of a fee for this service will constitute an approved Additional Charge when the following conditions are met:

- The EP fee is assessed only upon request by the consumer for the expedited payment service.
- The EP fee may not be established in advance as the expected method for making payments on accounts.
- The maximum EP fee per occurrence is \$10.
- The borrower retains the option of making a payment by traditional means (in person, mail, etc.).
- No delinquency charge can be assessed on any payment where the EP fee has been assessed.
- The creditor must comply with all applicable disclosures at the time of the occurrence.
- The creditor's process will provide an audit trail to allow DFI examiners to confirm compliance with these conditions.

This Additional Charge is approved for all providers of consumer credit who are subject to the Indiana Uniform Consumer Credit Code.

Additionally, the Members of the Department reserve the right to review and reconsider this approval, and these conditions, as necessary.

*Posted: 09/06/2006 by Legislative Services Agency*  
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