

## VII. Abusive Practices – Regulation AA

<b>Examiner Checklist—Credit Practices Rule</b>		
	<b>Yes</b>	<b>No</b>
1. Do the consumer contracts or related documents originated by the institution contain any of the following prohibited provisions:		
• Confession of judgment? (227.13(a))		
• Waiver of statutory property exemption, (unless the waiver applies solely to the property which will serve as security for the loan)? (227.13(b))		
• Assignment of wages or other earnings (except where permitted)? (227.13(c))		
• Blanket security interests in household goods? (227.13(d))		
2. Does the institution acquire loans originated by other creditors?		
If so, does it attempt to enforce any of the following prohibited practices:		
• Confession of judgment? (227.13(a))		
• Waiver of statutory property exemption, (unless the waiver applies solely to the property which will serve as security for the loan)? (227.13(b))		
• Assignment of wages or other earnings (except where permitted)? (227.13 (c))		
• Blanket security interests in household goods? (227.13(d))		
3. Does the institution take a nonpossessory security interest in household goods (as defined in Section 227.12(d)) not purchased with the loan proceeds? (Review financial institution security agreement forms.)		
4. Has the institution attempted to enforce any prohibited practices with respect to the consumer credit contracts it has originated? (227.13(a) or 227.13(b))		
5. Does the institution collect or attempt to collect a late charge on a timely payment because of the consumer's failure to pay a late charge attributable to a prior delinquent payment? (227.15)		
6. Has the institution engaged in any prohibited cosigner practices (for example, misrepresenting the cosigner's liability or obligating cosigners prior to providing the required notification)? (227.14(a))		
7. Does the institution provide each cosigner, prior to becoming contractually obligated, the required notice or one that is substantially similar (whether separate or contained in the credit document)? (227.14(b))		