

## Chapter 53

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## ARTICLE I. GENERAL PROVISIONS

### Sec. 53-1. Definitions.

As used in this Chapter, the term:

*Cashing* means providing currency for payment instruments, but does not include the bona fide sale or exchange of travelers checks and foreign denomination payment instruments.

*Check-cashing service* means any person engaged in the business of cashing checks, drafts, or money orders for a fee, service charge, or other consideration, or offering deferred deposit loans, except as provided in section 53-11.

*Credit* means a loan or advance of funds, or a deferred payment for merchandise purchased, in exchange for an agreement to pay an additional amount whether denominated as interest, fees, or simply a higher price for the goods purchased. The term shall not include a loan by family or friends with no interest or other charge to the borrower.

*Deferred deposit loan* includes any arrangement in which a person accepts a check dated on the date it was written and agrees to hold it for a period of days prior to deposit or presentment, or accepts a check dated subsequent to the date it was written, and agrees to hold the check for deposit until the date written on the check.

*Person* means an individual, partnership, association, or corporation, or other business entity of any type.

(Ord. No. 22, 11-24-1999)

### Sec. 53-2. Usury.

Except as specifically allowed by this chapter, within the territory of the Eastern Band of Cherokee Indians, no person shall:

- (1) Extend credit to another person at an effective annual percentage rate exceeding 36 percent, if the credit is unsecured.
- (2) Extend credit to another person at an effective annual percentage rate exceeding 24 percent, if the credit is secured.
- (3) Extend credit to another person without disclosing the annual percentage rate, fi-

nance charge, amount financed, and total of payments as provided by Regulation Z of the Federal Truth in Lending Act, regardless of whether that Act would otherwise apply to the transaction.

(Ord. No. 22, 11-24-1999)

### Sec. 53-3. Trader's permit.

No person shall extend credit on the territory of the Eastern Band of Cherokee Indians, or secured by any property held in trust for the Eastern Band, without a valid trader's permit approved by the Bureau of Indian Affairs.

(Ord. No. 22, 11-24-1999)

### Sec. 53-4. Business Committee rules.

The Business Committee may adopt rules necessary to carry out the purposes of this chapter, to provide for the protection of the public, and to assist the public in interpreting and complying with this article.

(Ord. No. 22, 11-24-1999)

### Secs. 53-5—53-9. Reserved.

## ARTICLE II. CHECK CASHING SERVICES

### Sec. 53-10. License and trader's permit required.

No person or other entity may engage in the business of cashing checks, drafts, or money orders for consideration without obtaining and maintaining a license from the North Carolina State Banking Commission under N.C.G.S. § 53-276, and a valid trader's permit to operate on the Cherokee Indian Reservation. No person or other entity providing a check-cashing service may avoid the requirements of this article by providing a check or other currency equivalent instead of currency when cashing payment instruments.

(Ord. No. 22, 11-24-1999)

### Sec. 53-11. Exemptions.

(a) This article shall not apply to:

- (1) A bank, savings institution, credit union, or farm credit system organized under the laws of the United States or any state; or





