



## CONSUMER AFFAIRS BULLETIN – 2017-006

*Cost of Credit Disclosure and Payday Loans Act – Coming into force 1 January 2018*

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- Implementation** Effective **1 January 2018** the *Cost of Credit Disclosure and Payday Loans Act*, the *Payday Lending Regulation*, and Rules PDL-001 *Payday Loans Licensing and Ongoing Obligations* and PDL-002 *Fees* will come into force.
- Licensing** The legislation requires companies carrying on the business of offering, arranging and providing payday loans to obtain a licence in New Brunswick. If offering, arranging and providing payday loans at more than one location, the applicant shall apply for a separate licence for each location as well as a licence for web sites.
- How to Apply** All payday lenders are required to submit an application for a licence before 1 January 2018. The online licensing application system will be available on our website in the Fall of 2017. Once ready, communication will be sent to the payday lender industry.
- Information** To assist payday lenders in understanding their legislative obligations, the Financial and Consumer Services Commission (FCNB) has created a licensing kit, included, with guidelines and overviews of the licensing and compliance requirements. Payday lenders can also find information readily available on our website: [www.fcnb.ca](http://www.fcnb.ca).
- Pre-licensing Inspection** A licensing inspection will be conducted on all payday lender locations (including websites). This will be an opportunity for payday lenders and FCNB compliance officers to go through important aspects of the Act, ensure proper compliance, ask questions and seek advice. In response to a licence application, an invitation to the inspection will be sent in due course to all licence applicants.
- Questions** Financial and Consumer Services Commission  
200-225 King Street  
Fredericton, NB E3B 1E1  
Toll Free: 866-933-2222  
[info@fcnb.ca](mailto:info@fcnb.ca)
- Enforcement** Failing to comply with legislative requirements may result in fines or administrative penalties ranging from \$25,000 to \$250,000.

**Issued by:**

Alaina M. Nicholson  
Acting Director of Consumer Affairs

**Date:**

14 August 2017