

**REGULATORY LOAN ACT (EXCERPT)**  
**Act 21 of 1939**

**493.18 Unlicensed persons; limitation on interest, discount, or consideration; applicability of act to loans made in another state or country.**

Sec. 18. (1) A person, except as authorized by this act, shall not directly or indirectly charge, contract for, or receive an interest, discount, or consideration greater than the lender would be permitted by law to charge if the lender were not licensed under this act upon the loan, use, or forbearance of money, goods, or things in action.

(2) The prohibition specified in subsection (1) applies to a person who or which, by any device, subterfuge, or pretense charges, contracts for, or receives greater interest, consideration, or charges than authorized by this act for the loan, use, or forbearance of money, goods, or things in action or for the loan, use, or sale of credit.

(3) This act does not apply to loans legally made in another state or country by a licensee under a regulatory loan law similar in principle to this act, except that loans made by mail to Michigan residents are subject to this act.

**History:** 1939, Act 21, Eff. Sept. 29, 1939;—Am. 1947, Act 130, Eff. Oct. 11, 1947;—CL 1948, 493.18;—Am. 1963, Act 103, Eff. Sept. 6, 1963;—Am. 1971, Act 168, Eff. Mar. 30, 1972;—Am. 1978, Act 528, Eff. Mar. 30, 1979;—Am. 1995, Act 165, Eff. Mar. 28, 1996;—Am. 2001, Act 270, Imd. Eff. Jan. 11, 2002.

**Compiler's note:** For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.