



## **Registered Creditor Advisory Bulletin: Requirement to Register Retail Seller Locations**

This bulletin describes the registration requirement for retail sellers under Chapter 345 of the Texas Finance Code. In general, businesses that sell goods or services on credit must register with the Texas Office of Consumer Credit Commissioner (OCCC).

This bulletin is just a summary. Creditors are responsible for ensuring that they comply with all applicable laws, not just the laws described in this bulletin.

### ***1. Who needs to register under Chapter 345?***

A business must register with the OCCC under Chapter 345 if it acts as a holder of a retail installment contract. A retail installment contract is an agreement to purchase goods or services on credit with a charge for financing (also called a “finance charge” or “time price differential”). A holder includes the original retail seller of the good or service, as well as other creditors taking assignment of the contract. This requirement is located in Section 345.351 of the Texas Finance Code (with relevant terms defined in Sections 345.001–345.003).

In summary, a business must register under Chapter 345 if it sells goods or services through a retail installment contract with a finance charge. This includes businesses that enter a retail installment contract and immediately assign it to another creditor. All of a retail seller’s locations must be registered with the OCCC.

For example, the following businesses are required to register, if they enter contracts to sell goods on credit with a finance charge:

- Furniture stores
- Jewelry stores
- Motorcycle dealers
- Boat dealers

(Note: Chapter 345 does not apply to sales of manufactured homes or automobiles, which are subject to separate requirements under Chapters 347 and 348 of the Finance Code, respectively.)

### ***2. How do I register?***

Businesses can register by creating an account and submitting an application through the OCCC’s online licensing and registration system, ALECS. The annual fee for a Chapter 345 registration is \$10 per location.