

Banking and Credit Services Advertising

Typically, companies promise loans or credit repair in exchange for an advance fee from the consumer. The Illinois General Assembly, recognizing this problem, signed into law an Act known as The Credit Services Organization Act (815 ILCS 605.) The purpose of the Act is to provide prospective consumers of credit service organizations with the necessary information to make informed decisions regarding purchasing the services of a credit service company and to protect the public from unfair or deceptive advertising and business practices.

The Credit Services Organization Act requires that before conducting business in the State of Illinois a credit service organization must register with the Secretary of State. The Act also requires the credit service organization accepting advance fees to obtain a surety bond in the amount of \$100,000, and that this bond shall be maintained for a period of 2 years after the date that the organization ceases operations. If you wish to inquire about which companies have filed a registration statement with the State of Illinois, contact the Consumer Protection Division of the Attorney General's office at 217-782-1090 (Springfield) or 217-814-3000 (Chicago).

Links:

Credit Services Organization Act

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2365&ChapAct=815%20ILCS%20605/&ChapterID=67&ChapterName=BUSINESS%20TRANSACTIONS&ActName=Credit%20Services%20Organizations%20Act>.