**Section 160.280 Loan Sales**

a) For purposes of this Section:

1) "Act" means the Sales Finance Agency Act [205 ILCS 660]; and

2) "Licensee" means licensees under the Act and the Consumer Installment Loan Act [205 ILCS 670].

3) "Transaction" means the pledge, hypothecation, sale, or other conveyance of contracts purchased, or loans made, under the provisions of the Act.

b) A licensee may not pledge, hypothecate, sell, or otherwise convey contracts purchased, or loans made, under the provisions of the Act, except as provided in this Section.

c) A licensee may not pledge, hypothecate, sell, or otherwise convey contracts purchased, or loans made, under the Act, except to:

1) another licensee under the Act;

2) a Consumer Installment Loan Act licensee;

3) a special purpose vehicle as defined by the Act;

4) *a person or entity that* *lends against or purchases retail installment contracts, retail charge agreements, or the outstanding balances or any portion of the outstanding balances under those contracts or agreements from an Illinois licensed sales finance agency* or Consumer Installment Loan Act licensee *in connection with a securitization, private placement, or similar type of investment transaction*. A licensee may pledge, hypothecate, sell, or otherwise convey contracts purchased, or loans made, under the Act to a person or entity described in this subsection (c)(4) only if the conveyor licensee *retains servicing of the loan agreements or contracts and maintains the records for those loan agreements or contracts* (see Section 17(b) of the Act);

5) the retail seller from which the conveyor licensee originally purchased the retail installment contracts or retail charge agreements; or

6) a credit union, bank, banking association, trust company, savings bank, or savings and loan association authorized to do business under the laws of this State or of the United States.

d) The conveyor licensee shall notify the Department in writing, no more than 10 days after the transaction, indicating the name of the purchaser/pledgee/recipient and evidence of their qualifications to purchase contracts under this Section.

(Source: Amended at 47 Ill. Reg. 9324, effective June 20, 2023)