**Section 1480.10 Definitions**

"Act": the Collateral Recovery Act [225 ILCS 422].

"Administrative Law Judge": a Hearing Examiner or a Hearing Officer of the Illinois Commerce Commission's Transportation Division.

"Agent": when used in the Act or this Part, means a person or entity that is authorized to act for or in place of another, and is not a towing company or a person or entity acting on behalf of a towing company, a repossession agency or a person or entity acting on behalf of a repossession agency.

"Applicant": a person or entity seeking action with respect to a license, recovery permit or registration or a certification program under the Act and this Part.

"Application": the form and process for seeking action with respect to licensure, a recovery permit or registration or a certification program under the Act and this Part. The time frame and consequences of failing to complete an application within the specific time frame as provided in Section 35(k) of the Act shall apply to all applications under the Act and this Part. Specifically, *applicants have 90 days from the date of application to complete the application process. If the application has not been completed within 90 days, then the application shall be denied, any fee paid shall be forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication*. [225 ILCS 422/35(k)]

*"Assignment"*: *a written authorization by a legal owner, lien holder, lessor, lessee, or licensed repossession agency authorized by a legal owner, lien holder, lessor or lessee to locate or repossess, involuntarily or voluntarily, any collateral, including, but not limited to, collateral registered under the Illinois Vehicle Code that is subject to a security agreement that contains a repossession clause or is the subject of a rental or lease agreement.*  *"Assignment" also means a written authorization by an employer to recover any collateral entrusted to an employee or former employee if the possessor is wrongfully in the possession of the collateral. A photocopy, facsimile copy, or electronic copy of an assignment shall have the same force and effect as an original written assignment.*  [225 ILCS 422/10]

*"Branch Office"*: *each additional office and secured storage facility location of a repossession agency located in and conducting business within the State of Illinois and operating under the same name as the repossession agency where business is actively conducted or is engaged in the business authorized by the licensure. Each branch office must be individually licensed*. [225 ILCS 422/10]

"Class "E" Recovery Permit": a permit issued to an individual whose duties include the actual repossession of collateral for a Class "R" recovery agency or a Class "RR" branch office and who has met the required criteria for obtaining the permit in accordance with the Act and this Part.

"Class "EE" Recovery Permit": a permit issued to an intern whose duties include the actual repossession of collateral under the direction and control of a designated, sponsoring Class "E" recovery permit or a designated, sponsoring Class "MR" license and who has met the required criteria for obtaining the permit in accordance with the Act and this Part.

"Class "MR" License": a license issued to any individual who performs the services of a recovery manager for a Class "R" recovery agency or a Class "RR" branch office and who has met the required criteria for licensure in accordance with the Act and this Part.

"Class "R" License": a license issued to any person, firm, company, partnership or corporation that engages in business as a recovery agency and has met the required criteria for licensure in accordance with the Act and this Part. A Class "R" license is valid only for a repossession agency's main office.

"Class "RR" License": a license issued to each branch office of a Class "R" repossession agency that has met the required criteria for licensure in accordance with the Act and this Part.

*"Collateral"*: *any vehicle, boat, recreational vehicle, motor home, motorcycle or other property that is subject to a security, lease or rental agreement.* [225 ILCS 422/10]

"Commission": the Illinois Commerce Commission.

*"Debtor"*: *any person or entity obligated under a lease, rental, or security agreement.* [225 ILCS 422/10]

"Deceive": the result from actions prohibited by Section 2 of the Consumer Fraud and Deceptive Business Practices Act [815 ILCS 505/2].

"Defraud": the result of making a reckless or knowing misrepresentation of truth or concealment of fact to induce another to act to his or her detriment.

"Dishonorable": not in conformity with the Act or this Part.

*"Financial Institution"*: *a bank, a licensee under the Consumer Installment Loan Act* [205 ILCS 670]*, savings bank, savings and loan association, or credit union organized and operating under the laws of this or any other state or of the United States, and any subsidiary or affiliate thereof.* [225 ILCS 422/10]

"Harm": adverse effect, injury, loss, damage or detriment.

"Immediate Family": includes the person's spouse, parents, children, siblings and partner in a civil union pursuant to the Illinois Religious Freedom Protection and Civil Union Act [750 ILCS 75].

*"Legal Owner"*: *a person holding a security interest in any collateral that is subject to a security agreement, a lien against any collateral, or an interest in any collateral that is subject to a lease or rental agreement.* [225 ILCS 422/10]

*"Licensure"*: *the approval of the required criteria that has been submitted for review in accordance with the provisions of the Act* [225 ILCS 422/10]

for the purpose of licensing a recovery manager, repossession agency and branch office of a repossession agency.

"Main Office": primary facility of a licensed repossession agency located in the State of Illinois.

"Pending Criminal Charge": alleged violation of any penal law of the United States or any state or territory of the United States brought before a court against a person or entity that may result in a *conviction for a crime that is a felony, a misdemeanor an essential element of which is dishonesty, or a crime related to the practice of the profession* [225 ILCS 422/80] but that has not been adjudicated by the court as of the date of application or the date of hearing.

"Pending Criminal Proceeding": judicial process instituted to adjudicate criminal charges brought before a court against a person or entity that has not culminated in an entry of a sentence, a guilty or not guilty judgment, a dismissal, or an order striking the criminal charges as of the date of application or the date of hearing.

*"Personal Effects"*: *any property contained within or on repossessed collateral, or property that is not permanently affixed to the collateral, that is not the property of the legal owner.* [225 ILCS 422/10]

*"Recovery Manager"*: *a person who possesses a valid license in accordance with the provisions of the Act and is in control or management of a repossession agency.*[225 ILCS 422/10]

*"Recovery Permit"*: *a permit issued by the Commission to a repossession agency employee who has met all the requirements under the Act.* [225 ILCS 422/10]

*"Recovery Ticket"*: *a serialized record obtained from the Commission for any repossessed vehicle or collateral evidencing that any person, business, financial institution, automotive dealership, or repossession agency who shows a recovery ticket has paid the recovery ticket fee to the Commission.* [225 ILCS 422/10]

*"Remote Storage Location"*: *a secured storage facility of a licensed repossession agency designated for the storage of collateral that is a secure building or has a perimeter that is secured with a fencing construction that makes the area not accessible to the public. A remote storage location shall not transact business with the public and shall provide evidence of applicable insurance to the Commission that specifies the licensed repossession agency as the primary policy holder. A remote storage location shall be located in a commercially zoned area physically located in Illinois.* [225 ILCS 422/10]

*"Repossession Agency"*: *any person or entity conducting business within the State of Illinois, that, for any type of consideration, engages in the business of, accepts employment to furnish, or agrees to provide or provides property locating services, property recovery, recovered property transportation, recovered property storage, or all services relevant to any of the following:*

*The location, disposition, or recovery of property as authorized by the self-help provisions of the Uniform Commercial Code;*

*The location, disposition, or recovery of lost or stolen property;*

*Securing evidence concerning repossession and recovery to be used before any court, board, office, or investigating committee;*

*Inventory of property contained in or on the collateral or recovered property;*

*The possession of collateral;*

*The prevention of the misappropriation or concealment of chattel, vehicles, goods, objects, documents, or paper.*

*"Repossession Agency" does not include any of the following:*

*An attorney at law who is performing his or her duties as an attorney at law.*

*The legal owner of collateral that is subject to a security agreement;*

*An officer or employee of the United States of America or of this State or a political subdivision of this State while the officer or employee is engaged in the performance of his or her official duties;*

*A qualified* recovery manager's *license or recovery permit holder when performing services for, or on behalf of, a licensed repossession agency;*

*A collection agency licensed under the Collection Agency Act* [225 ILCS 425] *when its activities are limited to assisting an owner in the recovery of property that is not collateral, as defined in this Act.* [225 ILCS 422/10]

*"Repossession Agency Employee"*: *any person or self-employed independent contractor who is hired by a repossession agency.* [225 ILCS 422/10]

*"Secured Storage Facility"*: *an area located on the same premises as a repossession agency office or branch office that is designated for the storage of collateral and is a secure building or has a perimeter that is secured with a fencing construction that makes the area not accessible to the public. Each repossession agency office or branch office must maintain a secured storage facility*. [225 ILCS 422/10]

*"Security Agreement"*: *an obligation, pledge, mortgage, chattel mortgage, lease agreement, rental agreement, deposit, or lien, given by a debtor as security* *for payment or performance of his or her debt by furnishing the creditor with a recourse to be used in case of failure in the principal obligation. "Security agreement" includes a bailment where an employer-employee relationship exists or existed between the bailor and the bailee.* [ 225 ILCS 422/10]

"Transferee-Applicant": an applicant for transfer of a Class "R" License under the Act and this Part.

"Unethical": not in conformity with the Act or this Part.

"Unprofessional": not in conformity with the Act or this Part.

"Violation": failure to comply with a provision of the Act, this Part or Commission orders. Each day's continuance of a violation shall constitute a separate violation.

(Source: Amended at 38 Ill. Reg. 5821, effective March 14, 2014)