

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999

A Bill

HOUSE BILL 2052

4
5 By: Representative Haak
6 By: Senator Hill

For An Act To Be Entitled

7
8
9
10 "AN ACT TO REQUIRE FINANCIAL INSTITUTIONS TO NOTIFY
11 CO-SIGNERS OF THEIR OBLIGATIONS AND OF ANY DEFAULTS OF
12 THE DEBTOR; AND FOR OTHER PURPOSES."

Subtitle

13
14
15 "TO REQUIRE FINANCIAL INSTITUTIONS TO
16 NOTIFY CO-SIGNERS OF THEIR OBLIGATIONS
17 AND OF ANY DEFAULTS OF THE DEBTOR."
18

19
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. A natural person, other than the spouse of the debtor, is not
23 obligated to any financial institution as a co-signer, co-maker, guarantor,
24 endorser, surety, or similar party with respect to a consumer loan, unless
25 before or contemporaneously with signing any separate agreement of obligation
26 or any writing setting forth the terms of the debtor's agreement, the
27 financial institution furnishes the person a separate written notice that
28 contains a completed identification of the debt he may have to pay and
29 reasonably informs him of his obligation with respect to it. Furthermore, the
30 co-signer, co-maker, guarantor, indorser, surety or similar party shall
31 receive written notice from the financial institution whenever the debt is
32 thirty (30) days delinquent, and shall be sent copies of all correspondence
33 directed to the debtor after the debt has become thirty (30) days delinquent.
34

35 SECTION 2. All provisions of this act of a general and permanent nature
36 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.