

Notice to Customers of Alpha Finance Company

Alpha Finance Company (“Alpha”), holds consumer finance license no. 146086 with the North Carolina Office of the Commissioner of Banks (“NCCOB”). Alpha has two locations:

- 38 East Cheek Street, Sparta, North Carolina; and
- 123 North Crutchfield Street, Dobson, North Carolina.

At this time, Alpha has ceased operations and is the subject of a [Preliminary Injunction](#) issued by the Alleghany County Superior Court. This injunction provides, in part, that Alpha: (1) cannot make any new consumer finance loans; (2) cannot accept payments; and (3) interest is no longer accruing on loans made under the North Carolina Consumer Finance Act.

What does this mean? Pending further orders of the Court, Alpha customers with *consumer finance loans only* are not required to make payments and interest has stopped accruing on these loans. The Preliminary Injunction *does not apply* to loans made under Chapters 24 and 25A of the North Carolina General Statutes; descriptions for these loans are provided below.

How do I determine whether my loan is a consumer finance loan?

A consumer finance loan is made under the North Carolina Consumer Finance Act, [Article 15](#) of Chapter 53 of the North Carolina General Statutes. This type of loan is in the amount of \$15,000, or less and cannot be secured by real estate. It is often referred to as a small personal loan. Your contract will contain a statement similar to the following:

This loan is regulated by the provisions of the North Carolina Consumer Finance Act, located at Chapter 53, [Article 15](#) of the North Carolina General Statutes.

What if I have a loan type that is not a consumer finance loan?

The Preliminary Injunction does not apply to the following loan types:

1. A loan made under [Chapter 24](#) of the North Carolina General Statutes. In general, if your loan is not a consumer finance loan or a Chapter 25A loan (see below), it may be a [Chapter 24](#) loan. [Chapter 24](#) loans are \$25,000, or less, with interest rates of 16% or less. As noted above, a consumer finance loan will contain a statement that it is regulated by the Consumer Finance Act.
2. A loan made under [Chapter 25A](#) of the North Carolina General Statutes. Your contract should specify that it is a “Retail Installment Sales Contract” or something similar and typically involves loans to finance vehicles and other items of personal property.

If your loan was made under Chapters 24 or 25A, please contact the Attorney General's [Consumer Protection Division](#) at 919-716-6000.

Who do I contact if I have questions about my consumer finance loan?

If your loan is a consumer finance loan under the Consumer Finance Act, you may contact NCCOB at: AlphaContact@nccob.gov. Please note that NCCOB cannot provide legal advice or representation.