

COMMISSIONER OF BANKING
STATE OF WEST VIRGINIA

In the Matter of:

**REQUEST FOR AUTHORIZATION TO
ENGAGE IN SUBSIDIARY BUSINESS BY
A REGULATED CONSUMER LENDER
filed on behalf of
ASSOCIATES FINANCIAL SERVICES CO.
OF WEST VIRGINIA, INC. and
KENTUCKY FINANCE, INC.
(Re: Home Security Benefits Package)**

DECISION ON AUTHORIZATION REQUEST

On November 21, 1996 Associates Corporation of North America on behalf of its licensed Regulated Consumer Lender affiliates, Associates Financial Services Co. of West Virginia, Inc. and Kentucky Finance Co., Inc., by letter, requested of the West Virginia Commissioner of Banking a DECISION ON AUTHORIZATION pursuant to W. Va. Code § 46A-4-110 in regards to the marketing and sale of a home security benefits package in the same office, room, or place of business in which the Applicants, acting as regulated consumer lender licensees, conduct the business of making regulated consumer loans.

Upon review of this request, the Commissioner of Banking has determined that such a product is insufficiently related to the business of transacting the business of making regulated consumer loans; and that the nature and character of marketing, selling, and financing such an unrelated product might facilitate evasions or contradictions of Article 4, Chapter 46A of the West Virginia Code or the rules issued thereunder. This decision comports with the earlier decisions of March 20, 1996 and September 30, 1993, denying such a request by Associates Financial Services and Beneficial Corp. of America

respectively for pre-paid legal plans to be marketed at their licensed supervised/regulated consumer lender offices in West Virginia.

Based upon these determinations and findings the Commissioner of Banking IS OF THE OPINION that a regulated consumer lender licensee may not conduct the business of making regulated consumer loans in the same office, room, or place of business in which home security benefits packages are marketed and sold. THEREFORE THE REQUEST FOR AUTHORIZATION IS HEREBY DENIED.

SGB

Sharon G. Bias
Commissioner of Banking

Date: 4/18/97