MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF FINANCIAL INSTITUTIONS

FOR IMMEDIATE RELEASE
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CONTACT:
615.741.1805 (OFFICE)

COMMISSIONER GONZALES ANNOUNCES WEEKLY FORMULA RATE

NASHVILLE -- Tennessee Department of Financial Institutions Commissioner Greg Gonzales announced today that the maximum effective formula rate of interest in Tennessee is 7.25 percent per annum.

The rate is based on a ceiling of 4.00 percent over the weekly average prime loan rate of 3.25 percent as published by the Federal Reserve on October 5, 2009.

Gonzales said the rate remains in effect until the average prime loan rate as announced by the Federal Reserve Bank changes. Chapter 464, Public Acts of 1983, the legislation regulating interest rates in Tennessee, requires that the Commissioner of Financial Institutions make an announcement weekly of the formula rate of interest.

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414 Union Street, Suite 1000
Nashville, TN 37219
(615) 741-2236