

Business Name Statement. This document should be forwarded along with a written request to CFLL Licensing Specialist, Department of Corporations, 320 West 4th Street, Suite 750, Los Angeles, California 90013.

Applicants who intend to conduct business under a fictitious business name are required to comply with the rules governing the filing of a fictitious business name as set forth in Business and Professions Code Section 17900 et seq.

ITEM NUMBER 2 OF APPLICATION:

Applicant's Licensed Place of Business:

Provide the applicant's complete proposed place of CFLL business, including number and street, city, county, state, zip code, telephone number, and fax number.

ITEM NUMBER 3 OF APPLICATION:

Individual in Charge of this Location:

Each office must have a person who is in charge. Provide the full name of the individual who will be in charge of this location. If the applicant has no middle name, indicate, e.g. "John [no middle name] Smith."

Statement of Identity and Questionnaire:

The individual named in Item Number 3 of the application must complete and submit a Statement of Identity and Questionnaire. If a Statement of Identity and Questionnaire has already been provided to the Department for the individual named in Item Number 3, there is no need to complete the form. The same individual cannot be in charge of multiple locations, and each location **must have** an individual in charge.

The 10-year employment and residence history in the Statement of Identity and Questionnaire must be complete and accurate. Attach copies of all pertinent court and other documents requested. The Statement of Identity and Questionnaire must be notarized if executed outside the State of California.

Submit the Statement of Identity and Questionnaire with the fingerprint information and the cost of fingerprint processing (discussed below).

Fingerprints

Individual(s) named in Item Number 3 of the application must submit fingerprints and related information to the Department of Corporations with the application, for the purposes of conducting a criminal history background check. (Financial Code Section 22101.5.) Applicants must pay for the cost of processing the fingerprints.

In-State Individuals:

Individuals named in Item Number 3 of the application who resides in California must complete a “Request for Live Scan Service” form. The triplicate form can be printed from the Department of Corporations’ website at

www.corp.ca.gov. Adobe Reader 7.x is required to download the form correctly. The individual must take the three-part form to a live scan location to have their fingerprints taken by the operator and submitted electronically to the California Department of Justice for processing. The applicant will be required to pay the fees charged by the California Department of Justice for processing the fingerprints directly to the live scan operator. The Attorney General's website at <http://caag.state.ca.us/fingerprints/publications/contact.htm> has current information concerning the Department of Justice's fees and the location of live scan terminals. You may also call the Department of Corporations at (866) 275-2677 for information concerning the location of live scan terminals. Submit the "Requesting Agency Copy" of the "Request for Live Scan Service" form and a processing fee of \$20 per individual for live scan submission with the CFLL application and the Statement of Identity and Questionnaire to the Department of Corporations. Make the check for the fingerprint processing fees payable to the Department of Corporations.

Out-of-State Individuals:

Individuals residing outside of California are encouraged to come to California, if practical, to have their fingerprints taken and submitted electronically through California's Live Scan process, to significantly decrease the processing time. However, an out-of-state individual named in Item Number 3 may provide fingerprint images to the Department of Corporations on fingerprint cards. Call the Department of Corporations at (866) 275-2677 to obtain fingerprint cards. The Department of Corporations will mail the fingerprint cards to you. In addition, you must also complete a "Request for Exemption from Mandatory Electronic Fingerprint Submission Requirement" form, available from the Attorney General's website at <http://caag.state.ca.us/fingerprints/pdf/bcii9004.pdf>. The fee to process the fingerprint card is \$86 per individual, which includes the Department of Corporations' processing fee of \$20 and the Department of

Justice's processing fee of \$66. Make the check for all fees payable to the Department of Corporations.

Submit the fingerprint cards, "Request for Exemption from Mandatory Electronic Fingerprint Submission Requirement" form, the fees, and the Statement of Identity and Questionnaire with the CFLL application to the Department of Corporations.

ITEM NUMBER 4 OF APPLICATION:

Applicant's Plan of Business:

Mark the appropriate box with either a "yes" or "no" response to indicate if there has been any change in the plan of business of making or brokering loans or other business that was previously submitted to the Department of Corporations. If "yes", explain the change.

ITEM NUMBER 5 OF APPLICATION:

Applicant's License Number:

Provide the existing license number and address of at least one other CFLL license currently held by the applicant.

ITEM NUMBER 6 OF APPLICATION:

Responsible Officer or Compliance Person:

Provide the name, title, address, email address, and telephone number of the contact person to whom questions regarding the filing of this application should be directed. The responsible officer or compliance person must be from the main office of the company, and may not be a branch manager.

EXHIBITS:

EXHIBIT A (Social Security Number or Federal Taxpayer Identification Number):

Individuals (sole proprietors) applying for a license must provide their social security number. Corporations, partnerships, limited liability companies and other business entities, except sole proprietorships, applying for a license must provide the federal taxpayer identification number. Label the document as Exhibit A.

The Department of Corporations is required to collect from all applicants social security numbers under Family Code Section 17520, and social security numbers or federal taxpayer identification numbers under Business and Professions Code Section 494.5. The social security number or federal taxpayer identification number is used to match the information to the names on the list provided by the Department of Child Support Services under Family Code Section 17520, and the lists of tax delinquencies provided by the State Board of Equalization and the Franchise Tax Board under Business and Professions Code Section 494.5. Any disclosed social security numbers and federal taxpayer identification numbers in the completed application will be considered confidential information, and will be filed and maintained as part of the confidential records not subject to public inspection. Refer to Commissioner's Release 2-G for further information concerning privacy protection of personal information.

EXHIBIT B (Not Applicable)

EXHIBIT C (Statement of Identity and Questionnaire):

Provide for the individual named in Item 3, a Statement of Identity and Questionnaire. If applicable, provide fingerprint information and the cost of fingerprint processing.

SIGNATURE SECTION:

Provide the required information. The Signature Section must be signed by an officer who has **previously** completed and submitted a Statement of Identity and Questionnaire to the Department of Corporations.

The application must be signed by the applicant if a sole proprietor, by a general partner if a partnership, or by an authorized officer, if a corporation.

(Department of Corporations Use Only)

DEPARTMENT OF CORPORATIONS

Fee Paid \$ _____

File No. _____

Receipt No. _____

STATE OF CALIFORNIA
DEPARTMENT OF CORPORATIONS

“SHORT FORM APPLICATION”

FOR A LICENSE UNDER THE

CALIFORNIA FINANCE LENDERS LAW

FOR A LICENSEE CURRENTLY HOLDING ONE OR MORE LICENSES

This application must be accompanied by a nonrefundable application fee of \$200 and a nonrefundable investigation fee of \$100. (Financial Code Section 22103.) The application (together with the fees payable to the Department of Corporations) must be filed ONLY in the Los Angeles office of the Department of Corporations, located at 320 West 4th Street, Suite 750, Los Angeles, CA 90013.

A licensee seeking to engage in business at a new location must submit this application to the California Corporations Commissioner by certified mail, return receipt requested, at least 10 days before engaging in business at the new location.

A license issued pursuant to the California Finance Lenders Law permits only employees to work under the license. Persons engaged in lending that are not employees may need to obtain a license under the California Finance Lenders Law. In addition, a license issued pursuant to the California Finance Lenders Law does not permit a

licensee to authorize locations operated by persons other than employees of the licensee under some form of franchise or license agreement (e.g., net branching.)

1. Name of applicant: _____

Fictitious Business Name (FBN): _____

(FBN must already be on file with the Department. [Financial Code Section 22102(e)])

(If the applicant seeks to do business under a FBN that has not been previously approved by the Department of Corporations (Department), additional information will need to be submitted under separate cover. Use of a new proposed FBN is not allowed until such time as written approval is received from the Department approving the use of such name. Approval of a new FBN may be requested by submitting under separate cover a copy of the Fictitious Business Name Statement with the “filed stamp” from the county clerk’s office along with a written request. The applicant’s name must appear as a registrant on the Fictitious Business Name Statement. Refer to Section 17900 of the Business and Professions Code for the requirements for filing the Fictitious Business Name Statement. (Financial Code Section 22155)

2. Applicant’s licensed place of business will be located at (Financial Code Section 22106):

(Number and Street) (City) (County) (State) (Zip)

(Telephone Number)

(Fax Number)

3. The FULL first, middle (if no middle name, so indicate) and last name of the individual in charge of this location. Each office must have a person who is in charge and the same individual cannot be in charge of multiple locations.

*(Last Name)

(First Name)

(Middle Name)

(*Complete a Statement of Identity and Questionnaire (FS 512 SIQ). The form is located on the Department of Corporations' website at www.corp.ca.gov and is printed as Exhibit C in Section 1422. If the Statement of Identity and Questionnaire form has already been provided to the Department for this individual, there is no need to provide another form. (Financial Code Section 22105))

4. Indicate by marking the appropriate box if there has been or will be ANY CHANGE in the applicant's plan of business of making or brokering loans or other business as described in Financial Code Section 22154 that was previously submitted to the Department. If "yes", provide explanation.

Yes (explain) _____

No

5. Provide license number and address of one other California Finance Lenders Law license held by this applicant.

License Number _____ Address _____

6. Provide the name, title, address, email address, and telephone number of the person to contact regarding this application. The license will also be mailed to this person unless otherwise instructed. The name of the person must be a responsible officer or compliance person from the main office of the company. The name of the branch manager does not belong here.

Attention: _____

(Name)

(Title)

(Number and Street)

(City)

(State)

(Zip Code)

(Email Address)

(Telephone Number)

REQUIRED EXHIBITS:

EXHIBIT A (Social Security Number or Federal Taxpayer Identification Number):

If the applicant is an individual (sole proprietor), provide the applicant's social security number, or the federal taxpayer identification number if the applicant is a business entity other than a sole proprietorship. Label the document as Exhibit A.

EXHIBIT B (Not Applicable)

EXHIBIT C (Statement of Identity and Questionnaire):

Provide for the individual named in Item 3, a Statement of Identity and Questionnaire. If applicable, provide fingerprint information and the cost of fingerprint processing.

In the event of the issuance of a license, applicant agrees to comply with the requirements of the California Finance Lenders Law and rules adopted, and orders issued, by the California Corporations Commissioner, and further agrees that in the event of any change of its officers, directors, or any other persons named in this application, that an amendment to the application containing the same information in relation to the new person(s) as is required in the application shall be filed with the California Corporations Commissioner within thirty days from the date of the change. (California Code of Regulations Section 1409 (10 C.C.R. § 1409).)

WHEREFORE, applicant requests that a license be issued by the California Corporations Commissioner authorizing applicant to engage in business under the California Finance Lenders Law within the State of California.

If the proposed location in Item Number 2 is out-of-state, applicant agrees to make its books and records available in this state, or pay the reasonable expenses incurred during an investigation or examination outside this state.

The applicant has duly caused this application to be signed on its behalf by the undersigned, thereunto duly authorized.

The undersigned, on behalf of the applicant, acknowledges that this application and all exhibits thereto which are not designated as confidential are subject to public inspection pursuant to Section 250.9.1, Chapter 3, Title 10, California Code of Regulations. A request for confidentiality of certain documents may be requested pursuant to Section 250.10. If a request for confidential treatment is granted (or denied), the person making such request will be notified in writing.

The undersigned also acknowledges on behalf of the applicant that the State Board of Equalization and the Franchise Tax Board are authorized to share taxpayer information with the Department of Corporations, and in the event the state tax obligation is not paid by a licensee after a license is issued, the Department of Corporations may be required to suspend the license (Business and Professions Code Sections 31 and 494.5).

I declare under penalty of perjury that I have read the foregoing application, including all Exhibits attached thereto, or filed therewith, and know the contents thereof, and that the statements therein are true and correct.

(Applicant)

Executed at _____
(City, County, and State)

(Signature of Declarant)*

Date _____

(Typed Name of Declarant)*

(Title)*

*This Short Form Application must be signed by an officer who has PREVIOUSLY completed and submitted a Statement of Identity and Questionnaire. No other officer is authorized to sign documents on behalf of the applicant.

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22101, 22102 and 22106, Financial Code; and Sections 31 and 494.5, Business and Professions Code.

8. Section 1430 is adopted to read:

§ 1430. Annual Report. ~~{Repealed}~~

STATE OF CALIFORNIA -- BUSINESS, TRANSPORTATION AND HOUSING AGENCY

DEPARTMENT OF CORPORATIONS



INSTRUCTIONS FOR COMPLETING THE 20XX ANNUAL REPORT
FOR LENDERS AND BROKERS LICENSED UNDER THE
CALIFORNIA FINANCE LENDERS LAW

WHO MUST FILE THE REPORT: Every licensee under the California Finance Lenders Law as of December 31, 20XX must file the annual report. The report must include information on all businesses conducted under the California Finance Lenders license by licensees located in or outside the State of California.

NO BUSINESS OR INACTIVE LICENSES: An annual report must be filed even if no business was conducted under the license(s) in 20XX. If no business was conducted under the license(s) during the calendar year 20XX, complete Schedules A through C-3, Schedule K and Verification section only. Include a statement at the bottom of the Verification section **“No business was conducted under the license(s) during the calendar year 20XX.”** “No business” means no loans were made, refinanced, or brokered in 20XX, and no loan payments or broker fees were received in 20XX.

WHEN IS THE REPORT DUE/ PENALTY FOR FAILURE TO FILE THE ANNUAL REPORT: The annual report is due on or before **March 15, 20XX**. No extension of the filing date shall be granted. Failure to file the report will result in summary revocation of your license(s). Under Government Code Section 11522, a licensee whose license has been revoked may have to wait a period of not less than one year from the date of revocation before applying for a license.

WHAT IS THE PURPOSE OF THE ANNUAL REPORT: The information reported in the annual report is used to publish the Department of Corporations' *Annual Report – Operation of Finance Companies*. In addition, each licensee's annual assessment is based on income reported by the licensee as earned from activities conducted under the California Finance Lenders license. The information reported is also used to determine the licensee's compliance with the statutory net worth requirement.

WHERE TO FILE THE REPORT:

DEPARTMENT OF CORPORATIONS
FINANCIAL SERVICES DIVISION
320 WEST FOURTH STREET, SUITE 750
LOS ANGELES, CA 90013

THE ANNUAL REPORT FORM: The information must be prepared in the annual report form prescribed by the Department of Corporations in Form CFL 812 (Rev. XX/XX), including Schedule B-1 Balance Sheet and Schedule C-1 Statement of Income and Expenses. Financial statements attached to the report will **not** be accepted in place of Schedule B-1 and Schedule C-1. **ALL AMOUNTS MUST BE ROUNDED TO THE NEAREST WHOLE DOLLAR.** Do not add ".00" to represent rounding to the nearest dollar. In addition, do not round items to the nearest thousand or million dollars, or round intermediate calculations. The annual report is electronically scanned and therefore the information must be **TYPED** in the annual report form, and the **ORIGINAL** signed copy of the annual report must be filed with the Department of Corporations.

COMPLETENESS & ACCURACY: The annual report will be rejected by the Department of Corporations and returned to the licensee if the information provided is incomplete or incorrect. All questions and schedules must be completed. If any schedule is inapplicable, indicate "Not Applicable" at the top of the page. Attach a supplemental page(s) if more space is needed. All information provided in the report is subject to verification. Accordingly, due care should be exercised in the completion of the report. The annual assessment is calculated from the information provided in the annual report. If the annual report filed contains incorrect information, it may result in an incorrect annual assessment. Assessment notices will be distributed to licensees on or before September 30, 20XX.

HOW TO READ THE MAILING LABEL: If you received an annual report form from the Department of Corporations in the mail, a mailing label is attached at line 1 of Schedule A of the form. The mailing label provides information on your license. Your license number or the mailing number assigned if you possess multiple licenses, and the number of licenses held by you as of December 31, 20XX is shown on the top line of the label.

PERIOD COVERED BY THE REPORT: The reporting period is either (1) January 1, 20XX to December 31, 20XX, or (2) the effective date of licensure in 20XX to December 31, 20XX.

WHICH SCHEDULES MUST BE COMPLETED: The Table of Schedules To Be Completed in the annual report identifies the schedules that must be completed by the type of license(s) held. If your business consists of more than one location, a single consolidated annual report must be submitted. Do not submit a separate annual report for each location.

FAILURE TO COMPLETE THE REQUIRED SCHEDULES WILL RESULT IN THE REJECTION AND RETURN OF THE ANNUAL REPORT TO THE LICENSEE.

SCHEDULE A (GENERAL INFORMATION):

Item 1. If the Department of Corporations' mailing label is attached to the annual report form, item 1 (name and main office address of the licensee) does not need to be completed.

Item 5. If the annual report includes more than one licensed location, the license number and address of each licensed location must be listed on a separate attachment, marked as Schedule A, Item Number 5.

SCHEDULE B-1 (BALANCE SHEET): This schedule must be prepared on a basis consistent with generally accepted accounting principles. Licensees are required to maintain a net worth of at least \$25,000. A licensed lender employing one or more mortgage loan originators must maintain a minimum net worth of at least \$250,000, and a licensed broker employing one or more mortgage loan originators must maintain a minimum net worth of at least \$50,000. **Failure to maintain the required net worth is grounds for administrative action.**

SCHEDULE B-2 (ANALYSIS OF LOANS AND RECEIVABLES OUTSTANDING): Record all receivables not subject to the California Finance Lenders license as Other Receivables on lines 7 through 14). Exercise care in classifying the receivables because certain sales contracts, leases, and other receivables may be subject to the California Finance Lenders Law. Flooring and accounts receivable financing are examples of transactions subject to the California Finance Lenders Law. In addition, certain types of leases such as dollar buy out, direct financing, abandonment, and purchase leases may be subject to the California Finance Lenders Law. If so, the receivables must be classified under California Finance Lenders Loan Receivables on lines 1 through 6.

SCHEDULE C-1 (STATEMENT OF INCOME AND EXPENSES) AND SCHEDULE C-2 (INCOME RECEIVED FROM CFLL LENDERS AND BROKERS LOANS): These schedules must be prepared on a basis consistent with generally accepted accounting principles. For reporting purposes, treat 20XX income earned **from loans originated** under the Personal Property Brokers, Consumer Finance Lenders, and Commercial Finance Lenders laws as Gross Income from CFLL Loans and CFLL Brokered Loans on line 1 of Schedule C-1. Also report only the amount of income earned during the year under the California Finance Lenders license . Loss on loan receivables must be shown as a separate line

item on line 4 of Schedule C-1. Do not deduct any loss on loans receivables from the gross income on line 1 of Schedule C-1.

The income reported on lines 1 through 16 of Schedule C-2 is income received under your California Finance Lender license and may include income from loans made under the Personal Property Broker, Consumer Finance Lender, and Commercial Finance Lender Laws.

Double-check your calculations. The income received must be accurately reported in the schedules because the amount you report is used to determine the amount of your annual assessment under the California Finance Lenders Law to renew your license(s) for the next fiscal year. Your annual assessment is based on the gross income you report on activities conducted under your California Finance Lenders Law license. Income earned under other state or federal lending licenses, activities not requiring a license, or activities conducted under licenses of other government agencies should not be reported on line 1 of Schedule C-1 or on lines 1 through 16 of Schedule C-2.

SCHEDULE C-3 (INCOME FROM OTHER BUSINESS AND SOURCES): Report under All Other Business and Sources, lines 1 through 7, only those revenues **not** subject to the California Finance Lenders Law. See instructions for Schedule B-2 above for classification of receivables under the California Finance Lenders Law. Any income received from your California Finance Lender license must be reported in Schedule C-2.

SCHEDULE D (SCHEDULE OF BROKERED LOANS): All loans brokered in 20XX under your California Finance Lenders license must be scheduled. Schedule A. Schedule of CFLL Brokered Loans must be completed by a licensee that brokered loans to any lender licensed under the California Finance Lenders Law. For a definition of consumer loans and commercial loans, refer to the instructions for Schedules E, F, and G (Loan Statistics) below.

Line 8(a) – Residential Mortgage loans Brokered. From the “Total Consumer Loans Brokered” reported on line 8, indicate on line 8(a) the number of loans brokered, the principal amount of loans and the amount of commissions received on residential mortgage loans.

Section B. Schedule of Other Brokered Loans must be completed by licensees that have brokered loans to any lender not licensed under the California Finance Lenders Law, such as mortgage loans made under a Department of Real Estate license. The name of the regulatory agency and license number that authorizes you to broker these loans must be provided.

SCHEDULES E, F, & G (LOAN STATISTICS): If any loans were made under your California Finance Lenders license during the year 20XX, Schedules E, F, and G must be completed. The loans made in 20XX must be categorized in Schedules E, F and G as either **consumer loans** or **commercial loans** as follows:

(1) **Consumer Loan** – a loan, whether secured by real or personal property, or both, or unsecured, the proceeds of which are intended by the borrower for use primarily for personal, family, or household purposes.

Consumer loan also includes a loan of a principal amount of less than \$5,000, the proceeds of which are intended by the borrower for use primarily for other than personal, family, or household purposes. An example is a loan of \$4,000 used for your rental business.

Beginning with the Annual Report for the Calendar Year 2011, a new category under consumer loans, Auto Title Loans, is included in Schedule F. For the purpose of completing the annual report, an auto title loan generally has the characteristics of a short-term loan (typically 12 to 36 months) in which a borrower with clear title to his or her vehicle may immediately receive a loan secured by the borrower’s vehicle. These loans typically are more than \$2,500 and have a higher interest rate. The loans differ from traditional auto loans, which are financed and secured by a lien on the vehicle in the purchase or refinance of a car.

(2) **Commercial Loan** - means a loan principal amount of \$5,000 or more, or any loan under an open-end credit program, whether secured by real or personal property, or both, or unsecured, the proceeds of which are intended by the borrower for use primarily for other than personal, family, or household purposes.

Open-End Credit Loans (Revolving Credit Loans): For the purposes of completing Schedules E, F, and G for open-end credit loans, the following guidelines must be followed:

(1) Total all advances made during the year under the **same** open-end credit loan agreement. This total constitutes the “Principal Amount” of the loan and counts as one loan made in Schedules E, F and G.

(2) Classify the loans by size, by the total advances made during the year. As an example, if five advances were made in 20XX amounting to \$15,000 under the **same** line of credit agreement of \$5,000, it should be reported as one loan made under “Number of Loans”, \$15,000 under “Principal Amount”, and under the column “Loans \$10,000 or More” in Schedules E, F and G.

SCHEDULE I (LOANS SOLD TO INSTITUTIONAL INVESTORS AND LOANS SERVICED): Item 2 – Loans Serviced Under the California Finance Lenders License must include all loans originated, purchased or sold.

SCHEDULED K (DIRECTORY OF DIRECTORS, OFFICERS, ETC.): All licensees must provide information on **all** directors, officers, members, managing members, branch managers and any person (as defined in Section 22008 of the Financial Code) owning or controlling directly or indirectly 10 percent or more of the outstanding interests or equity securities. If an individual was required to be included in the initial application for a license under the California Finance Lenders Law or in a subsequent report of changes in personnel, the individual must be included in Schedule K.

A self-designed form may be substituted in place of Schedule K if a licensee has more than 21 directors, officers, members, managing members, branch managers or persons holding 10 percent or more of the outstanding interests. The self-designed form must contain at a minimum the information required in Schedule K.

For any individual listed in Schedule K who has not submitted a Statement of Identity and Questionnaire (FS 512 SIQ), submit the Statement of Identity and Questionnaire for the individual when filing the completed annual report. The Statement of Identity and Questionnaire is available on the Department of Corporations' website at www.corp.ca.gov.

The information in Schedule K will be considered confidential information, and will be filed and maintained as part of the confidential records not subject to public inspection.

SCHEDULE L (CFLL REPORT ON NON-TRADITIONAL, ADJUSTABLE RATE AND MORTGAGE LOAN

PRODUCTS, AND LOAN SURVEY): All licensees are required to complete Schedule L by indicating whether they made or arranged nontraditional mortgage products and adjustable rate mortgage products as defined by the Guidance. The Guidance is available on the Department's website at www.corp.ca.gov. If any loans subject to the Guidance were made or arranged, the licensee must also submit information regarding those loan products in the Loan Survey under Schedule L.

SCHEDULE M (ADDITIONAL LOAN INFORMATION- SAFE): All licensees must complete Schedule M on the Secured and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act) by answering the questions in item 1 and indicating in item 2 the type of loan programs that were provided to applicants during the calendar year. Information regarding the SAFE Act can be found on the Department's website at www.corp.ca.gov.

SCHEDULE N (LOAN ACTIVITY): All licensees must report activity concerning consumer loans they serviced during the year by type of security in item A, and provide the total number of loans and the total principal amount of loans that

were **not** made under the California Finance Lenders Law license for both consumer and commercial loans in items B and C.

LICENSEES OPERATING IN MULTIPLE STATES: If you conducted business in California and in other states, the additional guidelines must be followed:

(1) **SCHEDULE B-1 (BALANCE SHEET)** – Complete the balance sheet in the name of the entity listed on the license. Do not complete the schedule for the California operation only. Complete line 3, CFLL Loan Receivables, in Schedule B-1 only for those loans that were made under the California Finance Lenders license. All other loans and receivables not under the California Finance Lenders license should be reported on line 4, Other Receivables.

(2) **SCHEDULE C-1 (STATEMENT OF INCOME AND EXPENSES)** – Complete the Statement of Income and Expenses in the name of the entity listed on the license. Do not complete the schedule for the California operation only. **Include on line 1, Gross Income from CFLL Loans and CFLL Brokered Loans, only income generated under the California Finance Lenders license.** All other income earned, whether in California or out of state, must be reported on line 2, Gross Income from All Other Business and Sources.

ANNUAL REPORT FORM AVAILABLE ON THE INTERNET: The annual report form is available in Adobe Acrobat format on the Department’s website at “www.corp.ca.gov”.

The form may be completed online; however, **THE ANNUAL REPORT CANNOT BE FILED ELECTRONICALLY.** If the report is completed online, it must be printed in the Adobe Acrobat format and submitted to the Department of Corporations in paper form. Please be sure to include your license number on the annual report to prevent any delays in processing your annual report. If you receive an annual report form from the Department of Corporations in the mail, include the information on the mailing label on the annual report you file with the Department of Corporations. It is

important to include your seven-digit license number. It is the Department of Corporations primary means of linking your annual report to your company.

VERIFICATION: The Verification section must be completed in accordance with the instructions by the licensed individual, a general partner if the licensee is a partnership, a manager if the licensee is a limited liability company, or a corporate officer if the licensee is a corporation. The Verification must be signed on the original copy of the report filed with the Department of Corporations. **An incomplete or unsigned Verification will result in rejection and return of the annual report to the licensee.**

FEE: No fee is required to file the annual report.

PUBLIC INSPECTION: The individual annual reports filed pursuant to Financial Code Section 22159 shall be made available to the public for inspection except for, upon request, the balance sheet contained in the annual report of a sole proprietor or any other nonpublicly traded persons. “Nonpublicly traded persons” for purposes of this section mean persons with securities owned by 35 or fewer individuals.

If a sole proprietor or licensee meeting the definition of nonpublicly traded persons is requesting confidential treatment of the balance sheet, the Request for Confidential Treatment in Schedule B-1 must be completed.

FOR ASSISTANCE AND INFORMATION REGARDING THE ANNUAL REPORT: Contact the Department of Corporations at telephone (866) ASK-CORP (1-866-275-2677).

DEPARTMENT OF CORPORATIONS



**PLEASE READ THE ATTACHED INSTRUCTIONS CAREFULLY BEFORE COMPLETING
THE ANNUAL REPORT.**

To: CALIFORNIA CORPORATIONS COMMISSIONER, STATE OF CALIFORNIA

ANNUAL REPORT
LICENSEES ENGAGED IN BUSINESS UNDER THE
CALIFORNIA FINANCE LENDERS LAW (CFL)

(Finance Lender and Broker)

For the Year Ended December 31, 20XX

SCHEDULE A
GENERAL INFORMATION

1. Name of Licensee (as shown on the license)

and Address of Main Office:

2. Business Phone No.: () _____

Fax No.: () _____

Website Address: _____

E-mail Address: _____

3. Address Change: If you wish to change the address of your place of business, you must submit a **Change of Address Form** to the Department of Corporations. The Change of Address form must be received by the Department of Corporations ten (10) days prior to the date of your move, or the Department of Corporations may assess an administrative penalty of \$500. The Change of Address form is available on the Department's website at www.corp.ca.gov.

4. Office Hours: _____

5. a) License Number for Main Office: _____

b) NMLS Number (if applicable): _____

6. Licensed Authority:
- A. Lender Only
 - B. Lender and Broker
 - C. Broker Only

7. Total Number of Licenses Held at December 31, 20XX: _____

8. Type of Organization:
- Corporation
 - Partnership
 - Individual
 - Limited Liability Company
 - Other (specify) _____

9. Person Preparing the Annual Report:

Signature

Name and Title (Typed)

Phone No.: (____) _____

Email Address: _____

VERIFICATION

STATE OF _____)

) SS.

COUNTY OF _____)

I, the undersigned, state: That I am an officer, a general partner or the sole proprietor, or have a position of similar proprietary interest of (insert name of licensee as shown on the license)

and I have read and signed the report and the documents filed herewith and know the contents thereof. I certify that the financial statements contained therein were prepared in conformity with generally accepted accounting principles consistently applied, and the statistical information supplied is to the best of my knowledge true and exact.

Additional certification of licensees with two or more licensed locations:

By signing this report I hereby authorize the Commissioner to contact our main office regarding issues and concerns for all branches of the company.

Complete Section (A) OR Section (B) as appropriate.

(A) IF LOCATED IN CALIFORNIA OR IN A STATE WHICH PERMITS A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS NOT NECESSARY.

Date _____
(Month/Day) (Year) (City) (State)

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Signature of Declarant

Name and Title (Typed)

(B) IF LOCATED OUTSIDE OF CALIFORNIA IN A STATE WHICH DOES NOT PERMIT A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS REQUIRED.

Date _____
(Month/Day) (Year) _____
Signature of Affiant

at _____

(City)

Name and Title (Typed)

(State)

Subscribed and sworn to before me on

Month/Date)

(Year)

(Seal)

Notary Public in and for said County and State

TABLE OF SCHEDULES TO BE COMPLETED

The following schedules in the annual report must be completed:

A. If you are licensed as a **CFLL LENDER**, complete:

<u>SCHEDULE</u>	<u>SCHEDULE</u>
<u>A</u>	<u>F</u>
<u>VERIFICATION</u>	<u>G</u>
<u>B-1</u>	<u>H</u>
<u>B-1(a)</u>	<u>I</u>
<u>B-2</u>	<u>J</u>
<u>C-1</u>	<u>K</u>
<u>C-2</u>	<u>L</u>
<u>C-3</u>	<u>M</u>

<u>E</u>	<u>N</u>
----------	----------

B. If you are licensed as a **CFLB BROKER**, complete:

<u>SCHEDULE</u>	<u>SCHEDULE</u>
<u>A</u>	<u>C-2</u>
<u>VERIFICATION</u>	<u>C-3</u>
<u>B-1</u>	<u>D</u>
<u>B-1(a)</u>	<u>J</u>
<u>B-2</u>	<u>K</u>
<u>C-1</u>	<u>L and M</u>

C. If you are licensed as both a **CFLB LENDER and CFLB BROKER**, complete all schedules.

D. If any schedule is inapplicable, indicate “Not Applicable” at the top of the schedule.

E. The Verification section must be completed. AN UNSIGNED OR INCOMPLETE VERIFICATION WILL NOT BE ACCEPTED, AND WILL RESULT IN REJECTION AND RETURN OF THE ANNUAL REPORT TO THE LICENSEE.

F. If no business was conducted under the license(s) during the year, complete Schedules A through C-3, Schedule K and Verification section only. The remaining pages need not be submitted. “No business” means no loans were made, refinanced, or brokered in the calendar year, and no loan payment or broker fee was received during the year. Include the following statement at the bottom of the Verification section, “No business was conducted under the license(s) during the calendar year 20XX.”

G. Your annual assessment is based on the gross income you report on activities conducted under your California Finance Lenders Law license (Schedule C-1, Statement of Income and Expense, Line 1). Income earned under other state or federal lending licenses, activities not requiring a license, or activities conducted under licenses of other government agencies should be reported on Schedule C-1, Line 2.

H. For purposes of completing the annual report, all income derived from loans originated under the Personal Property Broker, Consumer Finance Lender, and /or Commercial Finance Lender Laws should be treated as income earned under the California Finance Lenders Law.

SCHEDULE B-1
BALANCE SHEET
AS OF DECEMBER 31, 20XX

Name of Licensee: _____ CFL License No. _____

ASSETS

- | | | |
|--|----|--|
| 1. Cash | \$ | |
| 2. Investments | | |
| 3. CFL License Receivables (must equal Schedule B-2, line 6) | | |
| 4. Other Receivables (must equal Schedule B-2, line 14) | | |
| 5. Reserves and Withholds by Banks and Finance Companies | | |

6. Fixed Assets (Less: Accumulated Depreciation \$ _____) _____

(Fixed assets include land, buildings, equipment, furniture and fixtures, automobiles, and leasehold improvements, less accumulated depreciation.)

7. Prepaid Expenses and Deferred Charges _____

8. Commissions Receivables _____

9. Other Assets _____

10. **Total Assets** (sum of lines 1 thru 9 and must equal line 22) \$ _____

LIABILITIES AND NET WORTH

11. Loans and Notes Payable from Third Parties \$ _____

12. Loans and Notes Payable from Parents and Affiliates _____

13. Bonds, Debentures, and Certificates of Indebtedness _____

14. Accounts Payable _____

15. Dealers Reserves and Withholds _____

16. Accrued Taxes Other Than Income Tax _____

17. Reserve for Income Taxes _____

18. Credit Insurance Premiums Due Insurer _____

19. Other Liabilities and Accruals _____

20. **Total Liabilities** (sum of lines 11 thru 19) \$ _____

21. **Net Worth** (line 10 less line 20 and must equal Schedule B-1(a), line
10, 13, 14 or 19) \$ _____

22. **Total Liabilities and Net Worth** (add lines 20 & 21 and must equal
line 10) \$ _____

SCHEDULE B-1

REQUEST FOR CONFIDENTIAL TREATMENT

Name of Licensee (as shown on the license): _____

CFL License Number: _____

<p>PURSUANT TO SECTION 22159(a) OF THE FINANCIAL CODE, I REQUEST CONFIDENTIAL TREATMENT OF THE BALANCE SHEET. THE LICENSEE QUALIFIES FOR CONFIDENTIAL TREATMENT OF THE</p>
--

BALANCE SHEET AS A :

(CHECK ONE)

SOLE PROPRIETOR

“NONPUBLICLY TRADED PERSON” (persons with securities owned by 35 or fewer individuals)

By: _____

Signature of Authorized Person

Name(typed): _____

Position: _____

SCHEDULE B-1(a)

CALCULATION OF NET WORTH

AS OF DECEMBER 31, 20XX

Name of Licensee: _____

CFL License No. _____

FOR CORPORATIONS:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

12. Limited Partners (in total) _____

13. Total Net Worth (sum of lines 11 and 12, and must equal Schedule B-1, line 21) \$ _____

FOR INDIVIDUALS, TRUSTEES, AND OTHERS:

14. Net Worth of Individuals, Trustees, and Others (enter amount from
Schedule B-1, line 21) \$ _____

FOR LIMITED LIABILITY COMPANIES:

15. Members' Contributions _____

16. Members' Draws _____

17. Members' Equity _____

18. Net Income (Loss) (from Schedule C-1, line 23) _____

19. Total Members' Equity (sum of lines 15 – 18, and must equal Schedule B-1, line 21) \$ _____

SCHEDULE B-2

ANALYSIS OF LOANS AND RECEIVABLES OUTSTANDING

AS OF DECEMBER 31, 20XX

CALIFORNIA FINANCE LENDERS LOAN RECEIVABLES: Aggregate Balance

(may include outstanding receivables originated under the Personal Property Broker, Consumer Finance Lender, and Commercial Finance Lender laws)

1. Consumer Loans \$ _____

2. Commercial Loans _____

3. Subtotal (sum of lines 1 and 2) \$ _____

4. Less: Unearned Pre-computed Charges (_____)

5. Less: Allowance for Bad Debts (_____)

6. **Net California Finance Lenders Loan Receivables** (sum of lines
3 thru 5 and must equal Schedule B-1, line 3) \$ _____

OTHER RECEIVABLES NOT SUBJECT TO THE CFLL:

(See instructions for Schedule B-2 for classification of receivables)

	<u>Aggregate Balance</u>
7. Sales Contracts	\$ _____
8. Leases (True leases)	_____
9. Factoring	_____
10. Others	_____
11. Subtotal (sum of lines 7 and 10)	\$ _____
12. Less: Unearned Pre-computed Charges	(_____)
13. Less: Allowance for Bad Debts	(_____)
14. Net Other Receivables (sum of lines 11 thru 12, and must equal Schedule B-1, line 4)	\$ _____

SCHEDULE C-1
STATEMENT OF INCOME AND EXPENSES
FOR CALENDAR YEAR 20XX

INCOME

- 1. Gross Income from CFLL Loans and CFLL Brokered Loans (from Schedule C-2, line 16). **REPORT ONLY CFLL GROSS INCOME ON THIS LINE** \$ _____

- 2. Gross Income from All Other Business and Sources (from Schedule C-3, line 7) _____

- 3. **Total Gross Income** (sum of lines 1 and 2) \$ _____

EXPENSES

- 4. Loss on Loan Receivables \$ _____

- 5. Professional Audit and Accounting Services _____

- 6. Insurance and Bond Premiums _____

- 7. Legal Services and Expenses _____

- 8. Occupancy Expenses _____

- 9. Provision for Bad Debt Allowance _____

- 10. Salaries and Bonuses: Employees _____

- 11. Salaries and Bonuses: Owners, Partners, Executives _____

- 12. Depreciation _____

13. License Fees and Taxes	_____
14. Telephone and Utilities	_____
15. Advertising and Promotions	_____
16. Other Expenses	_____
17. Total Expenses Before Interest and Income Taxes (sum of lines 4 thru 16)	\$ _____
18. Income or (loss) Before Interest and Income Taxes (line 3 less line 17)	\$ _____
19. Interest Paid to Bona Fide Third Parties	_____
20. Interest Paid to Parent Company and Affiliates	_____
21. Income or (Loss) Before Income Taxes (subtract lines 19 and 20 from line 18) .	\$ _____
22. Provisions for Income Taxes	_____
23. Net Income or (Loss) (line 21 less line 22).	\$ _____

(If the licensee is incorporated, the Net Income or Loss amount in line 23 must agree with Schedule B-1(a), line 8.)

SCHEDULE C-2

ANALYSIS OF INCOME RECEIVED FROM CFLL LENDERS AND BROKERS LOANS

FOR CALENDAR YEAR 20XX

	<u>Loans</u> <u>Under \$2,500</u> <u>(Column 1)</u>	<u>Loans of</u> <u>\$2,500 or More</u> <u>(Column 2)</u>	<u>Total</u> <u>(Column 3)</u>
<u>CFL LENDERS AND BROKERS LOANS:</u>			
<u>CONSUMER LOANS:</u>			
1. <u>Charges Earned or Collected from Loans</u>	\$ _____	\$ _____	\$ _____
2. <u>Collection from Charged Off Accounts</u>	_____	_____	_____
3. <u>Income from Credit Insurance</u>	_____	_____	_____
4. <u>Other Insurance Commissions</u>	_____	_____	_____
5. <u>Administrative and Loan Fees</u>	_____	_____	_____
6. <u>Commissions from Brokering CFLL Consumer</u> <u>Loans (from Schedule D, line 8)</u>	_____	_____	_____
7. <u>Other Income</u>	_____	_____	_____
8. <u>Total Consumer Loans Income</u> (sum of lines 1 thru 7)	\$ _____	\$ _____	\$ _____

COMMERCIAL LOANS:

9. Charges Earned or Collected from Loans	\$ _____
10. Collection from Charged Off Accounts	_____
11. Income from Credit Insurance	_____
12. Other Insurance Commissions	_____
13. Commissions from Brokering CFLL Commercial Loans (from Schedule D, line 13)	_____
14. Other Income	_____
15. Total Commercial Loan Income (sum of lines 9 thru 14)	\$ _____
16. Total Gross Income from CFLL Loans and Brokered Loans (sum of line 8, column 3 and line 15, and must equal Schedule C-1, line 1)	\$ _____

SCHEDULE C-3
ANALYSIS OF INCOME RECEIVED FROM OTHER BUSINESS AND SOURCES
FOR CALENDAR YEAR 20XX

ALL OTHER BUSINESS AND SOURCES:

1. Charges Earned or Collected	\$ _____
--------------------------------------	----------

2. Other Interest or Return on Investment _____

3. Collection from Charged Off Accounts _____

4. Income from Credit Insurance _____

5. Other Insurance Commissions _____

6. Other Income (describe below) _____

7. Total Income from All Other Business and Sources (sum of lines 1 through 6, and must equal Schedule C-1, line 2) \$ _____

Describe source(s) of other income reported on lines 1 through 6:

SCHEDULE D
SCHEDULE OF BROKERED LOANS
FOR CALENDAR YEAR 20XX

A. SCHEDULE OF CFLL BROKERED LOANS (e.g., to any lender licensed under the CFLL)

<u>Name of Lender</u>	<u>Lender's License Number</u>	<u>Number of Loans Brokered</u>	<u>Principal Amount of Loans</u>	<u>Amount of Commissions Received</u>
-----------------------	------------------------------------	-------------------------------------	--------------------------------------	---

LIST CONSUMER LOANS BROKERED:

1. _____	_____	_____	\$ _____	\$ _____
2. _____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____
4. _____	_____	_____	_____	_____
5. _____	_____	_____	_____	_____
6. _____	_____	_____	_____	_____
7. _____	_____	_____	_____	_____

8. Total Consumer Loans Brokered (sum of lines 1 through 7, and must equal Schedule C-2, line 6, column 3)

_____ \$ _____ \$ _____

8a. Residential Mortgage Loans Brokered (see Schedule D instructions to complete this section)

LIST COMMERCIAL LOANS BROKERED:

9. _____ \$ _____ \$ _____

10. _____

11. _____

12. _____

13. Total Commercial Loans Brokered (sum of lines 9 through 12, and must equal Schedule C-2, line 13)

_____ \$ _____ \$ _____

14. Total Loans Brokered (sum of lines 8 and 13)

_____ \$ _____ \$ _____

Describe the method of computing commissions and how commissions are paid (i.e., in advance, from loan proceeds,

etc.). If commissions are prepaid, describe the method of refunding commissions in the event a loan is not funded.

B. SCHEDULE OF OTHER BROKERED LOANS (e.g., to any lender not licensed under the CFLL)

	<u>Total Principal</u>		
<u>Total Number of</u>	<u>Amount of</u>	<u>Total Amount of</u>	
<u>Loans Brokered</u>	<u>Loans Brokered</u>	<u>Commissions Received</u>	
<u>TOTALS</u>	_____	\$ _____	\$ _____

Provide the name of the government agency and your broker license number authorizing you to broker other loans identified Section B: _____

SCHEDULE E

CALIFORNIA FINANCE LENDERS

LOANS MADE OR REFINANCED DURING THE YEAR BY SIZE OF LOAN

FOR CALENDAR YEAR 20XX

CONSUMER LOANS

	<u>Loans of:</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
1.	\$ 499 or Less	_____	\$ _____
2.	500 to 1,999	_____	_____

3.	2,000 to 2,499	<hr/>	<hr/>
4.	2,500 to 4,999	<hr/>	<hr/>
5.	5,000 to 9,999	<hr/>	<hr/>
6.	10,000 or More	<hr/>	<hr/>
7.	Total Consumer Loans Made (Sum of lines 1 through 6. Totals must equal Schedule F, line 27 and Schedule G, line 40.)	<hr/> <hr/>	\$ <hr/> <hr/>

COMMERCIAL LOANS

8.	\$ 5,000 or More	<hr/>	\$ <hr/>
9.	Total Commercial Loans Made (Totals must equal Schedule F, line 34 and Schedule G, line 49.)	<hr/> <hr/>	\$ <hr/> <hr/>
10.	Total Loans Made – All Categories (Sum of lines 7 and 9. Totals must equal Schedule F, line 35 and Schedule G, line 50.)	<hr/> <hr/>	\$ <hr/> <hr/>

SCHEDULE F

CALIFORNIA FINANCE LENDERS

LOANS MADE OR REFINANCED DURING THE YEAR BY TYPE OF SECURITY

FOR CALENDAR YEAR 20XX

CONSUMER LOANS

	<u>Type of Security</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
<u>Loans Under \$2,500</u>			
1.	<u>Unsecured</u>	_____	\$ _____
2.	<u>Personal Property (Household Items)</u>	_____	_____
3.1	<u>Automobiles and Other Motor Vehicles</u>	_____	_____
3.2	<u>Auto Title Loans</u>	_____	_____
4.	<u>Wage Assignment</u>	_____	_____
5.	<u>Other Security</u>	_____	_____
6.	<u>Total Loans Made (sum of lines 1 through 5)</u>	=====	\$ =====

Loans \$2,500 to \$4,999

7.	<u>Unsecured</u>	_____	\$ _____
----	----------------------------	-------	----------

CONSUMER LOANS

	<u>Type of Security</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
8.	<u>Personal Property (Household Items)</u>	_____	_____
9.1	<u>Automobiles and Other Motor Vehicles</u>	_____	_____
9.2	<u>Auto Title Loans</u>	_____	_____
10.	<u>Wage Assignment</u>	_____	_____
11.	<u>Other Security</u>	_____	_____
12.	<u>Total Loans Made (sum of lines 7 through 11)</u>	_____	\$ _____

Loans \$5,000 to \$9,999

13.	<u>Unsecured</u>	_____	\$ _____
14.	<u>Personal Property (household items)</u>	_____	_____
15.1	<u>Automobiles and Other Motor Vehicles</u>	_____	_____
15.2	<u>Auto Title Loans</u>	_____	_____

CONSUMER LOANS

	<u>Type of Security</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
16.	<u>Wage Assignment</u>	_____	_____
17.	<u>Real Property</u>	_____	_____
18.	<u>Other Security</u>	_____	_____
19.	<u>Total Loans Made (sum of lines 13 through 18) . . .</u>	=====	\$ =====

Loans \$10,000 or More

20.	<u>Unsecured</u>	_____	\$ _____
21.	<u>Personal Property (Household Items)</u>	_____	_____
22.1	<u>Automobiles and Other Motor Vehicles</u>	_____	_____
22.2	<u>Auto Title Loans</u>	_____	_____
23.	<u>Wage Assignment</u>	_____	_____
24.	<u>Real Property</u>	_____	_____
25.	<u>Other Security</u>	_____	_____

CONSUMER LOANS

	<u>Type of Security</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
26.	<u>Total Loans Made (sum of lines 20 through 25)</u>	_____	\$ _____
27.	<u>Total Consumer Loans Made</u> (sum of lines 6, 12, <u>19, and 26). Totals must equal Schedule E, line 7</u> <u>and Schedule G, line 40).</u>	_____	\$ _____

COMMERCIAL LOANS ONLY

28.	<u>Unsecured</u>	_____	\$ _____
29.	<u>Personal Property</u>	_____	_____
30.	<u>Automobiles and Other Motor Vehicles</u>	_____	_____
31.	<u>Business Equipment</u>	_____	_____
32.	<u>Real Property</u>	_____	_____
33.	<u>Other Security</u>	_____	_____
34.	<u>Total Commercial Loans Made</u> (Sum of lines 28 <u>through 33. Totals must equal Schedule E, line 9 and</u> <u>Schedule G, line 49).</u>	_____	\$ _____

CONSUMER LOANS

	<u>Type of Security</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
35.	<u>Total Loans Made – All Categories</u> (sum of lines		
	27 and 34). Totals must equal Schedule E, line 10		
		_____	\$ _____
	and Schedule G, line 50.).....		

SCHEDULE G

CALIFORNIA FINANCE LENDERS

LOANS MADE OR REFINANCED DURING THE YEAR BY RATES CHARGED

FOR CALENDAR YEAR 20XX

CONSUMER LOANS ONLY

	<u>Annualized Rate of Charge</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
<u>Loans under \$2,5000</u>			
1.	<u>Step Rate: 2.5%, 2%, 1.5%, & 1% Per Month</u>	_____	\$ _____
	<u>Alternate Rates:</u>		
2.	<u>1.6% Per Month</u>	_____	_____
3.	<u>Federal Reserve Bank Rate plus 10%</u>	_____	_____

Other Rates:

4.	<u>Up to 14,999</u>	<u>APR</u>	_____	_____
5.	<u>15,000 to 19,999</u>	<u>APR</u>	_____	_____
6.	<u>20,000 to 24,999</u>	<u>APR</u>	_____	_____
7.	<u>25,000 to 29,999</u>	<u>APR</u>	_____	_____
8.	<u>30,000 to 34,999</u>	<u>APR</u>	_____	_____
9.	<u>35,000 to 39,999</u>	<u>APR</u>	_____	_____
10.1	<u>40,000 to 69,999</u>	<u>APR</u>	_____	_____
10.2	<u>70,000 to 99,999</u>	<u>APR</u>	_____	_____
10.3	<u>100,000 or More</u>	<u>APR</u>	_____	_____
11.	<u>Variable Rates Based on Index</u>		_____	_____
12.	<u>Total Loans Made (sum of lines 1 through 11)</u>		_____	\$ _____

Loans \$2,500 to \$4,999

13.	<u>Up to 14,999</u>	<u>APR</u>	_____	\$ _____
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<u>14.</u>	<u>15.000 to 19.999</u>	<u>APR</u>	_____	_____
<u>15.</u>	<u>20.000 to 24.999</u>	<u>APR</u>	_____	_____
<u>16.</u>	<u>25.000 to 29.999</u>	<u>APR</u>	_____	_____
<u>17.</u>	<u>30.000 to 34.999</u>	<u>APR</u>	_____	_____
<u>18.</u>	<u>35.000 to 39.999</u>	<u>APR</u>	_____	_____
<u>19.1</u>	<u>40.000 to 69.999</u>	<u>APR</u>	_____	_____
<u>19.2</u>	<u>70.000 to 99.999</u>	<u>APR</u>	_____	_____
<u>19.3</u>	<u>100.000 or More</u>	<u>APR</u>	_____	_____
<u>20.</u>	<u>Variable Rates Based on Index</u>		_____	_____
<u>21.</u>	<u>Total Loans Made (sum of lines 13 through 20). . .</u>		=====	\$ =====

Loans \$5,000 to \$9,999

<u>22.</u>	<u>Up to 14.999</u>	<u>APR</u>	_____	\$ _____
<u>23.</u>	<u>15.000 to 19.999</u>	<u>APR</u>	_____	_____

<u>24.</u>	<u>20.000 to 24.999</u>	<u>APR</u>	_____	_____
<u>25.</u>	<u>25.000 to 29.999</u>	<u>APR</u>	_____	_____
<u>26.</u>	<u>30.000 to 34.999</u>	<u>APR</u>	_____	_____
<u>27.</u>	<u>35.000 to 39.999</u>	<u>APR</u>	_____	_____
<u>28.1</u>	<u>40.000 to 69.999</u>	<u>APR</u>	_____	_____
<u>28.2</u>	<u>70.000 to 99.999</u>	<u>APR</u>	_____	_____
<u>28.3</u>	<u>100.000 or More</u>	<u>APR</u>	_____	_____
<u>29.</u>	<u>Variable Rates Based on Index</u>		_____	_____
<u>30.</u>	<u>Total Loans Made (sum of lines 22 through 29). . . .</u>		=====	\$ =====

Loans \$10,000 or More

<u>31.</u>	<u>Up to 14.999</u>	<u>APR</u>	_____	\$ _____
<u>32.</u>	<u>15.000 to 19.999</u>	<u>APR</u>	_____	_____
<u>33.</u>	<u>20.000 to 24.999</u>	<u>APR</u>	_____	_____

<u>34.</u>	<u>25.000 to 29.999</u>	<u>APR</u>	_____	_____
<u>35.</u>	<u>30.000 to 34.999</u>	<u>APR</u>	_____	_____
<u>36.</u>	<u>35.000 to 39.999</u>	<u>APR</u>	_____	_____
<u>37.1</u>	<u>40.000 to 69.999</u>	<u>APR</u>	_____	_____
<u>37.2</u>	<u>70.000 to 99.999</u>	<u>APR</u>	_____	_____
<u>37.3</u>	<u>100.000 or More</u>	<u>APR</u>	_____	_____
<u>38.</u>	<u>Variable Rates Based on Index</u>		_____	_____
<u>39.</u>	<u>Total Loans Made (sum of line 31 through 38)</u>		=====	_____
<u>40.</u>	<u>Total Consumer Loans Made</u> (Sum of lines 12, <u>21, 30, and 39. Totals must equal Schedule E, line 7</u> <u>and Schedule F, line 27.)</u>		=====	<u>\$</u> _____

COMMERCIAL LOANS ONLY

	<u>Note Rate or Contract Rate</u>	<u>Number of Loans</u>	<u>Principal Amount</u>
<u>41.</u>	<u>Up to 14.999</u>	_____	<u>\$</u> _____

<u>42.</u>	<u>15.000 to 19.999</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>43.</u>	<u>20.000 to 24.999</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>44.</u>	<u>25.000 to 29.999</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>45.</u>	<u>30.000 to 34.999</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>46.</u>	<u>35.000 to 39.999</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>47.1</u>	<u>40.000 to 69.999</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>47.2</u>	<u>70.000 to 99.999</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>47.3</u>	<u>100.000 or More</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>48.</u>	<u>Variable Rates Based on Index</u>	<u>.....</u>	<u>_____</u>	<u>_____</u>
<u>49.</u>	<u>Total Commercial Loans Made</u> (Sum of lines 41 through 48. Totals must equal Schedule E, line 9 and Schedule F, line 34.)		<u>_____</u>	<u>\$ _____</u>
<u>50.</u>	<u>Totals Loans Made – All Categories</u> (Sum of lines 40 and 49. Totals must equal Schedule E, line 10 and Schedule F, line 35.)		<u>_____</u>	<u>\$ _____</u>

Minimum

Maximum

Credit Life

Credit Disability

Credit Loss-of-Income

7. Does the credit disability policy contain a “14-day” non-retroactive provision? Yes No

If the answer is “No”, provide an explanation:

8. List exclusions from coverage, if any:

SCHEDULE I

SALE OF LOANS TO INSTITUTIONAL INVESTORS AND LOANS SERVICED

FOR CALENDAR YEAR 20XX

1. Loans Sold Pursuant to Financial Code Sections 22340, 22340.1, 22600 or 22600.1:

Report only those loans originated under your California Finance Lenders license(s), or purchased from an institutional lender or from another licensee pursuant to Division 9 of the Financial Code, and subsequently sold to institutional investors.

<u>No. of Loans Sold</u>	<u>Dollar Value of Loans Sold</u>	<u>Dollar Amount of Loans</u>	
		<u>Sold Retained for Servicing</u>	<u>Servicing Fees Earned</u>
_____	\$ _____	\$ _____	\$ _____

Are these loans sold to institutional investors? Yes No

Did you sell any of those loans to affiliated companies? Yes No

Are trust accounts established for those loans serviced? Yes No

2. Loans Serviced Under the California Finance Lenders License (includes all loans originated, purchased or sold):

Report all loans you serviced as of December 31, 20XX.

<u>Loan Type</u>	<u>Number of Loans</u>	<u>Balance</u>	<u>Servicing Fees Earned</u>
<u>Residential Real Estate Secured</u>	_____	\$ _____	\$ _____
<u>All Other Loans</u>	_____	\$ _____	\$ _____

SCHEDULE J

OTHER BUSINESS ACTIVITIES AND COVERED LOANS

A. OTHER BUSINESS ACTIVITIES:

Schedule J must be completed for *any* other activities conducted at the licensed locations(s), in addition to making and/or brokering loans under your California Finance Lender license(s).

<u>1. SALE OF INSURANCE PRODUCTS</u>	<u>Insurer</u>	<u>20XX Revenue</u>
<u>Credit Life Insurance</u>	_____	\$ _____
<u>Credit Disability Insurance</u>	_____	_____
<u>Accidental Death & Dismemberment</u>	_____	_____
<u>Personal Property Insurance</u>	_____	_____
<u>Real Estate Loan Insurance</u>	_____	_____
<u>Others (auto, whole life, etc.)</u>	_____	_____

2. OTHER SERVICES PROVIDED (Examples: loan servicing, leasing, automobile contracts, etc.)

License Authority

<u>Description of Services Provided</u>	<u>20XX Revenue</u>	<u>(If Applicable)</u>
_____	_____	_____
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____

3. BUSINESS CONDUCTED PURSUANT TO THE COMMODITY BROKERS LAW OF 1990

(Example: Sale and/or financing of precious metals or other commodities)

<u>Describe Activity</u>	<u>20XX Revenue</u>	<u>License Authority</u> <u>(If Applicable)</u>
_____	_____	_____

4. OTHER BUSINESS ACTIVITY CONDUCTED AT LICENSED LOCATION (not already included in items 1, 2, or 3 above.)

<u>Describe Activity</u>	<u>20XX Revenue</u>	<u>License Authority</u> <u>(If Applicable)</u>
_____	_____	_____

5. LIST ANY OTHER LICENSES ISSUED BY STATE OF CALIFORNIA GOVERNMENT AGENCIES AND HELD BY THE LICENSEE:

<u>Name of License</u>	<u>Name of Agency</u>	<u>License Number</u>
_____	_____	_____

B. COVERED LOANS:

This section must be completed by a licensee that made “covered loans” as defined in Financial Code Section 4970(b)(1).

<u>Number of Covered Loans</u>	<u>Principal Amount</u>
<hr/>	<hr/>
<hr/>	<u>\$</u> <hr/>

SCHEDULE K

DIRECTORY OF DIRECTORS, OFFICERS, MEMBERS, MANAGING MEMBERS, BRANCH MANAGERS AND ANY PERSON OWNING OR CONTROLLING (DIRECTLY OR INDIRECTLY) 10% OR MORE OF INTEREST OR EQUITY SECURITIES

Name of Licensee: _____ CFLL License No. _____

Complete the following directory for ALL directors, officers, members, managing members, branch managers and any person (as defined in Section 22008 of the Financial Code) owning or controlling directly or indirectly 10 percent or more of the outstanding interest or equity securities. If an individual was required to be included in the initial application for a license under the California Finance Lenders Law or in a subsequent report of changes in personnel, the individual must be included in this directory.

A self-designed form may be substituted in place of Schedule K if a licensee has more than 21 directors, officers, members, managing members, branch managers and persons holding 10 percent or more of the outstanding interests. The self designed form must contain at a minimum the following information.

In addition to this directory, submit a Statement of Identity and Questionnaire (SIQ), for those individuals who did not submit the SIQ to the Department previously. The SIQ form is available on the Department of Corporations' website at www.corp.ca.gov.

<u>FULL NAME</u>			<u>POSITION HELD</u>	<u>% OF</u>	<u>BUSINESS ADDRESS</u>	<u>DATE OF</u>	<u>DRIVERS</u>
<u>FIRST</u>	<u>MIDDLE</u>	<u>LAST</u>	<u>OR TO BE HELD</u>	<u>OWNERSHIP</u>	(Street, City, State & Zip Code)	<u>BIRTH</u>	<u>LICENSE NO.</u> <u>AND STATE</u>

<u>FULL NAME</u>			<u>POSITION HELD</u>	<u>% OF</u>	<u>BUSINESS ADDRESS</u>	<u>DATE OF</u>	<u>DRIVERS</u>
<u>FIRST</u>	<u>MIDDLE</u>	<u>LAST</u>	<u>OR TO BE HELD</u>	<u>OWNERSHIP</u>	(Street, City, State & Zip Code)	<u>BIRTH</u>	<u>LICENSE NO.</u> <u>AND STATE</u>

<u>FULL NAME</u>			<u>POSITION HELD</u>	<u>% OF</u>	<u>BUSINESS ADDRESS</u>	<u>DATE OF</u>	<u>DRIVERS</u>
<u>FIRST</u>	<u>MIDDLE</u>	<u>LAST</u>	<u>OR TO BE HELD</u>	<u>OWNERSHIP</u>	(Street, City, State & Zip Code)	<u>BIRTH</u>	<u>LICENSE NO.</u> <u>AND STATE</u>

SCHEDULE L
CFL REPORT ON
NON-TRADITIONAL, ADJUSTABLE RATE AND MORTGAGE LOAN PRODUCTS

COMPANY NAME: _____

LICENSE NUMBER: _____

NMLS NUMBER: _____

CONTACT PERSON: _____

TELEPHONE NUMBER: _____

1. During calendar year 20XX, did you make or arrange non-traditional mortgage products or adjustable rate mortgage products as defined by the Guidance?

a. Made non-traditional mortgage products? Yes _____

b. Arranged non-traditional mortgage products? Yes _____
No

c. Made adjustable rate mortgage products? Yes _____
No

d. Arranged adjustable rate mortgage products? Yes _____
No

No

If the answer is “yes” to any of the above, complete items 1 through 4 of the Non-Traditional, Adjustable Rate and Mortgage Loan Survey below.

If the answer is “no” to all of the above, complete item 1 of the Non-Traditional, Adjustable Rate and Mortgage Loan Survey below.

NON-TRADITIONAL, ADJUSTABLE RATE AND MORTGAGE LOAN SURVEY

1. License Information (to be completed by all licensees)	
<u>CFL License Number:</u>	
<u>Licensee Name:</u>	
<u>Name of Person Who Prepared this Survey:</u>	
<u>Preparer’s Title:</u>	
<u>Telephone Number:</u>	
<u>Email Address:</u>	

2. Does your company offer non-traditional mortgage products? (Place an “x” in the appropriate category.) (If “yes”, complete remaining survey)	<u>Yes</u>	
	<u>No</u>	

3. <u>If “yes”, are they retained on the books or sold?</u> (Place an “x” in one or both categories.)	<u>Retained</u>	
	<u>Sold</u>	

4. <u>Provide the dollar volume in thousands and number of loans retained as of December 31, 20XX, and the dollar volume in thousands and number of loans sold over the 12-month period ending December 20XX. For loans with multiple non-traditional characteristics, include them in each applicable category.</u>	<u>Retained</u> <u>(Number of Loans)</u>	<u>Retained</u> <u>(Dollar Amount)</u>	<u>Sold</u> <u>(Number of Loans)</u>	<u>Sold</u> <u>(Dollar Amount)</u>
a. <u>Interest-only Mortgage Loan</u>				
b. <u>Payment Option ARM</u>				
c. <u>Reduced Documentation</u>				
d. <u>Simultaneous Second-lien Loan</u>				
e. <u>Home Equity Line of Credit</u>				
f. <u>Covered Loans</u>				
g. <u>Adjustable Rate Mortgage Loans</u>				
5. <u>All Loans (Non-Traditional and Traditional)</u>				

NON-TRADITIONAL, ADJUSTABLE RATE AND MORTGAGE LOAN SURVEY

DEFINITIONS

Definitions

<u>a.</u>	<u>Interest-only Mortgage Loan</u>	<u>A nontraditional mortgage in which, for a specified number of years (e.g., three or five years), the borrower is required to pay only the interest due on the loan, during which time the interest rate may fluctuate or may be fixed. After the interest-only period, the rate may be fixed or fluctuate based on the prescribed index and payments include both principal and interest.</u>
<u>b.</u>	<u>Payment Option ARM</u>	<u>A nontraditional mortgage that allows the borrower to choose from a number of different payment options. For example, each month, the borrower may choose a minimum payment option based on a “start” or introductory interest rate, an interest-only payment option based on the fully indexed interest rate, or a fully amortizing principal and interest payment option based on a 15-year or 30-year loan term, plus any required escrow payments. The minimum payment option can be less than the interest accruing on the loan, resulting in negative amortization. The interest-only option avoids negative amortization but does not provide for principal amortization. After a specified number of years, or if the loan reaches a certain negative amortization cap, the required monthly payment amount is recast to require payments that will fully amortize the outstanding balance over the remaining loan term.</u>

c.	<u>Reduced Documentation</u>	<u>A loan feature that is commonly referred to as “low doc/no doc”, “no income/no asset”, “stated income” or “stated assets.” For mortgage loans with this feature, an institution sets reduced minimal documentation standards to substantiate the borrower’s income and assets.</u>
d.	<u>Simultaneous Second-lien Loan</u>	<u>A lending arrangement where either a closed-end second-lien or a home equity line of credit (HELOC) is originated simultaneously with the first lien mortgage loan, typically in lieu of a higher down payment.</u>
e.	<u>Home Equity Line of Credit</u>	<u>An open-end loan, usually recorded as a second mortgage, that permits borrowers to obtain cash advances based on an approved line of credit.</u>
f.	<u>Covered Loans</u>	<p><u>Covered loan (under Section 4970 of the Financial Code) – a consumer loan in which the original principal balance of the loan does not exceed the most current conforming loan limit for a single-family first mortgage loan established by Fannie Mae and where one of the following conditions are met:</u></p> <p><u>a) the APR at consummation will exceed by more than 8 percentage points the yield on Treasury securities having comparable maturity periods on the 15th day of the month immediately preceding the month in which the loan application is received, or</u></p>

		<p><u>b) the total points and fees payable by the consumer at or before closing will exceed 6% of the total loan amount.</u></p>
<p>g.</p>	<p><u>Adjustable Rate Mortgage Loans (ARMS)</u></p>	<p><u>An adjustable rate mortgage loan that has one or more of the following characteristics: (1) low initial payments based on a fixed introductory rate that expires after a short period and then adjusts to a variable index rate plus a margin for the remaining term of the loan; (2) very high or no limits on how much the payment amount or the interest rate may increase (“payment or rate caps”) on reset dates; (3) limited or no documentation of borrower’s income; (4) product features likely to result in frequent refinancing to maintain an affordable monthly payment; and/or (5) substantial prepayment penalties and/or prepayment penalties that extend beyond the initial fixed interest rate period. As an example of item (1) above, ARMs known as “2/28” loans feature a fixed rate for two years and then adjust to a variable rate for the remaining 28 years, and the spread between the initial fixed interest rate and the fully indexed interest rate in effect at loan origination typically ranges from 300 to 600 basis points.</u></p>

SCHEDULE M

ADDITIONAL LOAN INFORMATION - SAFE

Information on the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act) is available on the Department of Corporations' website at www.corp.ca.gov.

A. Did you make, arrange or service any residential mortgage loans as defined by the SAFE Act? Yes No

B. How many mortgage loan originators did you employ as of 12/31/XX in this activity? _____

C. Provide the NMLS Unique Identifier Number: _____

Under your California Finance Lender license, indicate which of the following type(s) of loan programs were provided to applicants during the calendar year:

A. Consumer First Mortgage Loans (1-4 units) Yes No

B. Consumer Unsecured Loans Yes No

C. Consumer Personal Property Loans Yes No

D. Automobiles and Other Motor Vehicles Yes No

E. Auto Title Loans Yes No

F. Affordable Credit-Building Opportunity Loans Yes No

G. Commercial Real Estate Loans

Yes _____ No

H. Commercial Unsecured Loans

Yes _____ No

I. Commercial Business Equipment

Yes _____ No

J. Commercial Automobiles and Other Motor Vehicles

Yes _____ No

K. Accounts Receivable Financing

Yes _____ No

L. Other CFLL Activity (describe below)

Yes _____ No

SCHEDULE N

SCHEDULE OF LOAN ACTIVITY

AS OF DECEMBER 31, 20XX

	<u>Unsecured</u>		<u>Personal Property Loans</u>		<u>Automobiles and Other</u>		<u>Auto Title Loans</u>	
	<u>—</u>	<u>Amount</u>	<u>—</u>	<u>Amount</u>	<u>—</u>	<u>Amount</u>	<u>—</u>	<u>Amount</u>
			No.		No.		No.	
<u>A. Consumer Loans Serviced:</u>								
<u>1. Loans outstanding prior year at 12/31</u>	_____	_____	_____	_____	_____	_____	_____	_____
<u>2. Loans outstanding at year end 12/31</u>	_____	_____	_____	_____	_____	_____	_____	_____
<u>3. Loans with one or more past due payments, which are past due 30 or more days at 12/31/XX</u>	_____	_____	_____	_____	_____	_____	_____	_____
<u>4. For calendar year 20XX provide the following:</u>								
<u>a. Total loans made</u>	_____	_____	_____	_____	_____	_____	_____	_____
<u>b. Number of loans charged one or more late fees</u>								
No.	_____		_____		_____		_____	
<u>c. Total late fees collected</u>	_____	_____	_____	_____	_____	_____	_____	_____
<u>d. Total number of repossessions</u>	_____		_____		_____		_____	

Total number of loans reinstated or collateral

e.

redeemed.

Total collateral sales

f.

Total charge-offs

g.

5. Average contracted term of loan (in months)

B. Schedule of Other Consumer Loans Made (must be completed by any licensee who originated consumer loans not under the California Finance Lenders Law.)

Total Number

Total Principal Amount of

of Loans Made

Other Loans Made

=====

\$ _____

Provide the name of the agency and your license number that authorizes you to originate other consumer loans: _____

C. Schedule of Other Commercial Loans Made (must be completed by any licensee who originated commercial loans not under the California Finance Lenders

Law.)

Total Number

Total Principal Amount of

of Loans Made

Other Loans Made

_____ \$ _____

State the name of the agency and your license number that authorizes you to originate other commercial loans: _____

Note: Authority cited: Sections 22150 and 22159, Financial Code. Reference: Sections 22159 and 22160, Financial Code.

9. Section 1581 is amended to read:

§ 1581. Application Under the Affordable Credit-Building Opportunities Program: Form.

(a) The application under the Affordable Credit-Building Opportunities program pursuant to Section 22349 of the Financial Code shall be filed upon the form set forth in subdivision (c) of this section.

(b) Within 30 calendar days from the receipt of the application, the California Corporations Commissioner shall inform the applicant in writing that the application is complete and the licensee is approved to participate in the program or disapproved, and if disapproved, the reason(s) for disapproval; or that the application is deficient and specify what information is required to complete the application.

(c) An application to make loans under the Affordable Credit-Building Opportunities program shall be submitted to the California Corporations Commissioner on the following form:

STATE OF CALIFORNIA
DEPARTMENT OF CORPORATIONS

INFORMATION ON THE APPLICATION FOR

THE PILOT PROGRAM FOR

AFFORDABLE CREDIT-BUILDING OPPORTUNITIES

UNDER THE CALIFORNIA FINANCE LENDERS LAW

The following is provided as general information for finance lenders licensed under the California Finance Lenders Law who wish to participate in the Pilot Program for Affordable Credit-Building Opportunities in accordance with Financial Code Section 22349.

GENERAL INFORMATION

Senate Bill 1146 (Chap. 640, Stats. 2010) was signed into law on September 30, 2010 and is operative January 1, 2011. The bill created the Pilot Program for Affordable Credit-Building Opportunities to increase the availability of affordable short-term credit and to expand credit-building opportunities for individuals.

Finance lenders who are license under the California Finance Lenders Law and approved by the California Corporations Commissioner to participate in the program may charge specified alternative interest rates and charges, including an administrative fee and delinquency fees, on loans of at least \$250 and less than \$2,500, subject to certain requirements. Licensees participating in the program are also permitted to use the services of a “finder” as defined in Section 22353(b) of the Financial Code.

APPLICATION TO PARTICIPATE IN THE PROGRAM

- An application form to participate in the program may be obtained from any office of the Department of Corporations and from the website at www.corp.ca.gov. The office locations are as follows:

320 W. 4th Street, Suite 750 Los Angeles, CA 90013

One Sansome Street, Suite 600 San Francisco, CA 94104

1515 K Street, Suite 200 Sacramento, CA 95814

1350 Front Street, Room 2034 San Diego, CA 92101

- Questions regarding completing and filing an application should be directed to 1-866-ASK-CORP (866-275-2677).
- Completed applications must be filed with the Los Angeles office. The application **MUST** be accompanied by **NON REFUNDABLE** fees as follows.

NUMBER OF LICENSED FINANCE LENDER LOCATIONS	APPLICATION FEE
1 to 10	\$250
11 to 50	\$450
51 to 100	\$650
Over 100	\$850

- Within 30 calendar days from the receipt of the application, the California Corporations Commissioner shall inform the applicant in writing, that the application is complete and the licensee is approved to participate in the program or disapproved, and if disapproved, the reason(s) for disapproval; or that the application is deficient and specify what information is required to complete the application.

APPLICATION FOR THE PILOT PROGRAM FOR
AFFORDABLE CREDIT-BUILDING OPPORTUNITIES
FOR LENDERS LICENSED UNDER THE
CALIFORNIA FINANCE LENDERS LAW

1. Name of Licensee:

Fictitious Business Name:

2. CFLL License Number: _____

Primary Mailing (988) Number, if applicable: _____

3. Mailing Address: _____

4. Contact Person/Title: _____

5. Telephone Number: _____ Email Address: _____

6. Are you in good standing with the California Corporations Commissioner? Yes No

If yes, provide the following information:

Name of Credit Reporting Agency

Date Accepted

10. Will you report to a national credit reporting agency the payment performance of each borrower on all loans made under this program as required under Section 22352(g)(2) of the Financial Code?

Yes No

11. Do you plan to use the services of a finder as defined under Section 22353(b) of the Financial Code? Yes No

If yes, please attach a list of the name of the finder(s), marked as Exhibit 4, and a completed Notification to Commissioner of Finder Registration for each finder, marked as Exhibit 5.

12. Provide the social security number of the applicant if an individual (sole proprietor), or the federal taxpayer identification number if a business entity other than a sole proprietorship, marked as Exhibit 6. The Department of Corporations is required to collect from all applicants social security numbers under Family Code Section 17520, and social security numbers or federal taxpayer identification numbers

under Business and Professions Code Section 494.5. The social security number or federal taxpayer identification number is used to match the information to the names on the list provided by the Department of Child Support Services under Family Code Section 17520, and the lists of tax delinquencies provided by the State Board of Equalization and the Franchise Tax Board under Business and Professions Code Section 494.5. Any disclosed social security numbers or federal taxpayer identification numbers in the completed application will be considered confidential information, and will be filed and maintained as part of the confidential records not subject to public inspection. Refer to Commissioner's Release 2-G for further information concerning privacy protection of personal information.

The licensee has duly caused this application to be signed on its behalf by the undersigned, thereunto duly authorized.

The undersigned, on behalf of the licensee, acknowledges that this application and all exhibits thereto which are not designated as confidential are subject to public inspection pursuant to Section 250.9.1, Chapter 3, Title 10, California Code of Regulations. A request for confidentiality of certain documents may be requested pursuant to Section 250.10. If a request for confidential treatment is granted (or denied), the person making such request will be notified in writing.

The undersigned also acknowledges on behalf of the licensee that the State Board of Equalization and the Franchise Tax Board are authorized to share taxpayer information with the Department of Corporations, and in the event the state tax obligation is not paid by a licensee after a license is issued, the Department of Corporations may be required to suspend the license (Business and Professions Code Sections 31 and 494.5).

I declare under penalty of perjury that I have read the foregoing application, including Exhibits attached thereto, or filed therewith, and know the contents thereof, and that the statements therein are true and correct. I further declare, on behalf of the licensee, that I have read and understand the Financial Code and regulations pertaining to the California Finance Lenders Law and the Pilot Program for Affordable Credit-Building Opportunities under the California Finance Lenders Law.

(Licensee)

Executed at _____
(City, County, and State)

(Signature of Declarant)

Date _____

(Typed Name of Declarant)

(Title)

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22349 and 22349.1, Financial Code; and Sections 31 and 494.5, Business and Professions Code.

- 10. Section 1582 is amended to read:
§ 1582. Finder Registration: Form.

(a) A licensee shall notify the California Corporations Commissioner within 15 days of entering into a contract with a finder on the form set forth in subdivision (c) of this section.

(b) Within 15 calendar days from the receipt of the finder registration form, the California Corporations Commissioner shall inform the licensee in writing, that the registration is complete and that use of the finder by the licensee is accepted or rejected, and if rejected, the reason(s) for the rejection; or that the registration is deficient and specify what information is required to complete the registration. A licensee shall not use an unregistered finder or a finder that has been rejected by the California Corporations Commissioner.

(c) Registration of a finder under the Affordable Credit-Building Opportunities program shall be submitted to the California Corporations Commissioner on the following form:

NOTIFICATION TO CALIFORNIA CORPORATIONS COMMISSIONER
OF FINDER REGISTRATION

(Required under Section 22357(a) of the Financial Code)

Instructions:

- The finder registration form may be obtained from any office of the Department of Corporations and from the website at www.corp.ca.gov. The office locations are as follows:

320 W. 4th Street, Suite 750 Los Angeles, CA 90013

One Sansome Street, Suite 600 San Francisco, CA 94105

1515 K Street, Suite 200 Sacramento, CA 95814

- Questions regarding completing and filing a finder registration form should be directed to 1-866-ASK-CORP (866-275-2677).
- Completed finder registration forms must be filed with the Los Angeles Office.
- Within 15 calendar days from the receipt of the finder registration form, the California Corporations Commissioner shall inform the licensee in writing, that the registration is complete and the finder is accepted to participate in the program or rejected, and if rejected, the reason(s) for rejection; or that the registration is deficient and specify what information is required to complete the registration.

1. Name of Licensee:

2. Licensee's Business Address: _____

3. CFLL License Number: _____

4. Name of Finder:

5. Finder's Main Business Address: _____

6. Have you entered into a written agreement with the finder as required under Section 22358 of the Financial Code? Yes No

7. Does the written agreement include a provision that the finder agrees to comply with all regulations established by the California Corporations Commissioner concerning the activities of finders as required under Section 22358 of the Financial Code? Yes No

8. Does the written agreement include a provision that the finder agrees to provide the California Corporations Commissioner access to all of the finder's books and records pertaining to the finder's operations under the agreement with the licensee? Yes No

9. Provide the following information for an employee of the finder who is knowledgeable about, and has the authority to execute, the contract governing the business relationship between the finder and the licensee:

Name: _____

Address: _____

Telephone Number: _____ Email: _____

10. Attach a list, marked as Exhibit A, of the business addresses of all locations at which the finder will perform the services described in Section 22354(a) of the Financial Code. Any subsequent locations or changes to locations must be reported to the California Corporations Commissioner in accordance with Title 10, of the California Code of Regulations, Section 1580.

11. Attach a list, marked as Exhibit B, providing the name, title, physical business location, telephone number, and email of each employee responsible for the activities of the finder at each of its locations.

12. Attach a list, marked as Exhibit C, identifying the services and activities that the finder will perform for the licensee at the finder's physical location for business.

13. Attach a copy of the written agreement with the finder, marked as Exhibit D.

14. Attach a list, marked as Exhibit E, providing the social security number or federal taxpayer identification number of each finder named in item number 4 of the finder registration. The Department of Corporations is required to collect from all registrants social security numbers under Family Code Section 17520, and social security numbers or federal taxpayer identification numbers under Business and Professions Code Section 494.5. The social security number or federal taxpayer identification number is used to match the information to the names on the list provided by the Department of Child Support Services under Family Code Section 17520, and the lists of tax delinquencies provided by the

State Board of Equalization and the Franchise Tax Board under Business and Professions Code Section 494.5. Any disclosed social security numbers or federal taxpayer identification numbers in the completed registration will be considered confidential information, and will be filed and maintained as part of the confidential records not subject to public inspection. Refer to Commissioner's Release 2-G for further information concerning privacy protection of personal information.

The licensee has duly caused this registration to be signed on its behalf by the undersigned, thereunto duly authorized.

The undersigned, on behalf of the licensee, acknowledges that this registration and all exhibits thereto which are not designated as confidential are subject to public inspection pursuant to Section 250.9.1, Chapter 3, Title 10, California Code of Regulations. A request for confidentiality of certain documents may be requested pursuant to Section 250.10. If a request for confidential treatment is granted (or denied), the person making such request will be notified in writing.

The undersigned also acknowledges on behalf of the licensee that the State Board of Equalization and the Franchise Tax Board are authorized to share taxpayer information with the Department of Corporations, and in the event the state tax obligation is not paid by a registrant after a registration has been accepted, the Department of Corporations may be required to suspend the registration (Business and Professions Code Sections 31 and 494.5).

I declare under penalty of perjury that I have read the foregoing registration, including all exhibits attached thereto, or filed therewith, and know the contents thereof, and that the statements therein are true and correct.

(Licensee)

Executed at _____
(City, County, and State)

(Signature of Declarant)

Date _____

(Typed Name of Declarant)

(Title)

EXHIBIT A

Business addresses of all locations at which the finder will perform the services described in Section 22354(a) of the Financial Code:

Street Address	City	State	Zip Code
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

EXHIBIT B

Name and contact information of the employee responsible for the activities of the finder at each of its locations:

Name of Employee	Title	Physical Business Location	Telephone No.	Email
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

EXHIBIT C

Licensee Name: _____

License No: _____

Services that a finder may perform for the licensee at the finder's physical location for business in accordance with Section 22354(a) of the Financial Code. Please check the box for the type of services that the finder will perform for the licensee:

- Distributing, circulating, using, or publishing preprinted brochures, flyers, factsheets, or other written materials relating to loans that the licensee may make or negotiate and that have been reviewed and approved in writing by the licensee prior to their being distributed, circulated, or published.
- Providing written factual information about loan terms, conditions, or qualification requirements to a prospective borrower that has been either prepared by the licensee or reviewed and approved in writing by the licensee. A finder may discuss that information with a prospective borrower in general terms, but may not provide counseling or advice to a prospective borrower.
- Notifying a prospective borrower of the information needed in order to complete a loan application without providing counseling or advice to a prospective borrower.
- Entering information provided by the prospective borrower on a preprinted or electronic application form or onto a preformatted computer database without providing counseling or advice to a prospective borrower.

- Assembling credit application and other materials obtained in the course of a credit application transaction for submission to the licensee.

- Contacting the licensee to determine the status of a loan application.

- Communicating the licensee's underwriting decision to a borrower or a prospective borrower.

- Obtaining a borrower's signature on documents prepared by the licensee, delivering the final copies of the documents to the borrower, and returning the signed original documents to the licensee.

Services or activities that a finder shall not engage in accordance with Section 22354(b) of the Financial Code:

1. Providing counseling or advice to a borrower or prospective borrower.

2. Providing loan related marketing material that has not previously been approved by the licensee to a borrower or a prospective borrower.

3. Interpreting or explaining the relevance, significance, or effect of any of the marketing materials or loan documents the finder provides to a borrower or prospective borrower.

A person who performs any of the following activities is a broker within the meaning of Section 22004 of the Financial Code and is required to obtain a broker's license:

1. Negotiating the price, length, or any other loan term between a licensee and a prospective borrower.
2. Advising either a prospective borrower or a licensee as to any loan term.
3. Offering information pertaining to a single prospective borrower to more than one licensee, except that, if a licensee has declined to offer a loan to a prospective borrower and has so notified that prospective borrower in writing, the person may then offer information pertaining to a single prospective borrower to another licensee with which it has a finder's agreement.
4. Personally contacting or providing services to a borrower or prospective borrower at any place other than a finder's physical location for business, that has previously been reported to the California Corporations Commissioner.

Completed by: _____

(Name and Title)

(Date Completed)

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22351 and 22357(a), Financial Code; and Sections 31 and 494.5, Business and Professions Code.

11. Section 1805.204 is amended to read:

§ 1805.204. Application for Certificate.

An application for a certificate as a securities depository shall be made on the following form:

DEPARTMENT OF CORPORATIONS

FILE NO.

(insert file number of previous filings
before the Department, if any.)

FEE: \$25.00 _____

(not refundable)

Date of Application _____

DEPARTMENT OF CORPORATIONS

STATE OF CALIFORNIA

INDICATE THE TYPE OF FILING BY CHECKING EITHER THE ORIGINAL OR AMENDMENT
APPLICATION HEADING SHOWN BELOW.

