

TITLE 10. DEPARTMENT OF BUSINESS OVERSIGHT

PROPOSED CHANGES UNDER THE STUDENT LOAN SERVICING ACT MODIFIED: DECEMBER 12, 2018

(Additions in the first modified text, dated May 31, 2018, to the rules originally proposed by Notice published September 8, 2017, are shown by single underline, and deletions are shown by single strikethrough. Additions in the second modified text, dated July 9, 2018, are shown by double underline, and deletions are shown by double strike through. Additions in this third modified text, dated December 12, 2018, are shown in italics, and deletions are shown in italics, with a strike through.)

Subchapter 15. Student Loan Servicing Act

Article 1. Definitions

§2032. Definitions.

(a) The following terms used in these rules shall have the following meanings:

(1) “Act” or “SLSA” means the Student Loan Servicing Act, Financial Code, Division 12.5, section 28100, et seq.

(2) “Code” means the Financial Code.

~~(3) “Commissioner” means the Commissioner of the Department of Business Oversight.~~

~~(4) “Department” means the Department of Business Oversight.~~

(3) “Federal Direct Loan(s)” means loan(s) made under the William D. Ford Federal Direct Loan Program, authorized under Title IV of the Higher Education Act, as amended, 20 U.S.C. § 1070, et seq.

(4) “Federal Family Education Loan(s)” means loan(s) made under the Federal Family Education Loan (“FFEL”) Program, authorized under Title IV of the Higher Education Act, as amended, 20 U.S.C. § 1070, et seq.

(5) “Federal student loan(s)” means Federal Direct Loans; FFEL Loans; and Perkins Loans.

(6) “Forbearance” means a period during which monthly federal student loan payments are temporarily suspended or reduced, due to certain types of financial hardships. During forbearance, principal payments are postponed but interest continues to accrue. Unpaid interest that accrues during forbearance will be added to the principal balance (capitalized) of the loan(s), increasing the total amount owed by the borrower(s).

(7) “Form MU1” means the uniform licensing form developed by the Nationwide Multistate Licensing System & Registry for a student loan servicer, entitled “~~Uniform Student Loan Servicer~~ NMLS Company Form,” Version 11.0, dated 09/12/2015, available at [Company \(MU1\) Form](#). A copy of the MU1 is attached to these proposed regulations as Exhibit 1, and incorporated herein by reference.

(8) “Form MU2” means the uniform licensing form developed by the Nationwide Multistate Licensing System & Registry for a person that directly or indirectly exercises control over a student loan servicer, or a branch thereof, including qualifying individuals and branch managers specified in Form MU1, entitled “~~Uniform Student Loan Servicer Biographical Statement & Consent Form~~ NMLS Individual Form,” Version 9, dated 9/12/16, available at [Individual \(MU2\) Form](#). A copy of the MU2 is attached to these proposed regulations as Exhibit 2, and incorporated herein by reference.

(9) “Form MU3” means the uniform licensing form developed by the Nationwide Multistate Licensing System & Registry for the branch office of a student loan servicer, entitled “~~Uniform Student Loan Servicer~~ NMLS Branch Office Form,” Version 10, dated

3/31/14, available at [Branch \(MU3\) Form](#). A copy of the MU3 is attached to these proposed regulations as Exhibit 3, and incorporated herein by reference.

(10) “NMLS” means the Nationwide Multistate Licensing System & Registry.

~~(13) “Nationwide Multistate Licensing System & Registry” has the same meaning as its definition in the Act.~~

~~(14) “Overpayment” means “a payment on a student loan in excess of the monthly amount due from a borrower on a student loan, also commonly referred to as a prepayment,” which is the meaning ascribed to “overpayment” at Code section 28130, subdivision (h)(2).~~

(11) “Perkins Loan(s)” means Federal Perkins Loans, authorized under Title IV of the Higher Education Act, as amended, 20 U.S.C., § 1070, et seq.

(12) “Private Student Loan” means a student loan which is not a federal student loan but, rather, a private student loan made by a lender such as a bank or credit union.

~~(17) “Qualified written request” has the same meaning as its definition in the Act.~~

(13) “Student Aid Office” or “Federal Student Aid Office” means that certain office of the U.S. Department of Education; which is the largest provider of student financial aid nationwide; and is responsible for managing the student financial assistance programs authorized under Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C., § 1070, et seq.

~~(19) “Student loan” has the same meaning as its definition in the Act.~~

~~(14) “Student loan servicer” means any person engaged in the business of servicing student loans. A “student loan servicer” does not include a debt collector, as defined in Section 1788.2 of the Civil Code, whose student loan debt collection~~

~~business, and business operations, involve collecting, or attempting to collect, on defaulted student loans, that is, federal student loans for which no payment has been received for 270 days or more, or private student loans, in default, according to the terms of the loan documents. Debt collectors who also service non-defaulted student loans, as part of their business, and business operations, are “student loan servicers.”~~

(b) All terms used in these rules, which are defined anywhere in the Act, but not defined in these rules, shall have the meanings ascribed to them in the Act.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28104 and 28130, Financial Code.

Article 2. Application for Licensure and Related Forms

§2033. Electronic Filings.

(a) DESIGNATION: The Commissioner designates the Nationwide Multistate Licensing System & Registry (NMLS) to receive and store filings, obtain credit reports, and collect related fees and assessments from applicants and state-licensed student loan servicers, on behalf of the Commissioner.

(b) USE OF NMLS: All student loan servicer applications, amendments, surety bonds, notices, related filings, supporting documents, renewals, authorizations, assessments, and fees required to be filed with the Commissioner, shall be filed electronically with and transmitted to NMLS, except as otherwise indicated in Subchapter 15 of these rules. The following conditions relate to such electronic filings:

(1) Electronic Signature: When a signature or signatures are required by the particular instructions of any filing, including any attestation to be made through NMLS,

a duly authorized officer or proper delegate of the applicant or the applicant him or herself, as required, shall affix his or her electronic signature to the filing by typing his or her name in the appropriate field and submitting the filing to the Commissioner through NMLS. Submission of a filing in this manner shall constitute irrefutable evidence of legal signature by any individual making the filing.

(2) When filed: Solely for purposes of a filing made through NMLS, unless otherwise specified, a document is considered filed with the Commissioner when all fees are received and the filing is transmitted by NMLS to the Commissioner.

(3) An applicant shall provide through NMLS the necessary authorizations so that NMLS may obtain independent credit reports.

(4) Any document required to be filed with the Commissioner that is not permitted to be filed with, or cannot be transmitted through NMLS, shall be filed directly with the Commissioner.

Note: Authority cited: Sections 28106, Financial Code. Reference: ~~Section 1633.7, Civil Code;~~ and Sections 28106, 28108, 28110, 28112, 28114 and 28116, Financial Code.

§2034. Officers, Directors, Partners, and Other Persons: Maintenance of Current List with Commissioner: Information Required.

A student loan servicer shall at all times maintain on file with NMLS, in accordance with its procedures for transmission to the Commissioner, a current list of officers, directors, and partners in the case of a partnership, and other persons named in the Forms MU1, MU2, and MU3, as applicable. In the event of any change in the

officers, directors, partners, or other persons named in the application, a student loan servicer shall file with NMLS, within ten (10) business days of any change, an amendment to the application containing the same information in relation to such new person(s) as is required in the Forms MU1, MU2, and MU3.

Note: Authority cited: Sections 28106, Financial Code. Reference: Sections 28110 and 28126, Financial Code.

§2035. License Application for Student Loan Servicer.

The procedures set forth in this section are applicable to a person who is required to be licensed pursuant to Section 28102 of the Code, as a student loan servicer. The application for a license as a student loan servicer shall be filed as follows:

(a) INITIAL APPLICATION: The application for a license as a student loan servicer under subdivision (a) of Section 28102 of the Code, and any amendment to such application, shall be filed upon Form MU1, in accordance with the instructions of NMLS, for transmission to the Commissioner. All exhibits, and supporting documents related to the application or amendment shall also be filed with NMLS, in accordance with the instructions of NMLS, for transmission to the Commissioner. Exhibits that cannot be submitted through NMLS, if any, shall be submitted directly to the Commissioner. The notices set forth in Section 2039 of Title 10 of the California Code of Regulations are part of every application. An applicant shall provide the following information, exhibits and documentation in the manner provided:

(1) An applicant shall identify all fictitious business names on Form MU1.

(A) For each fictitious business name, an applicant shall upload to NMLS a copy of the Fictitious Business Name Statement, with the “filed stamp” from the county clerk's office.

(B) An applicant may not use a fictitious business name until the Commissioner approves the use of the name.

(C) Every applicant and licensee shall comply with the rules governing the filing of a fictitious business name, set forth in Business and Professions Code Sections 17900-17930 ~~et seq.~~

(2) For every additional business location, an applicant shall submit through NMLS a Form MU3, in accordance with Section 203~~89~~ of these rules.

(3) An applicant shall provide the names, personal history, and experience of individual applicants, officers, directors, managing members (in the case of a limited liability company), general and managing partners (in the case of a partnership), individuals owning or controlling, directly or indirectly, ten percent (10%) or more of the applicant, and individuals with responsibility for the servicing activities of the applicant, through NMLS, on Form MU1, within the “Directors and Executive Officers” section, and on Form MU2.

(A) The individuals named in MU1, for whom an MU2 has been filed, shall provide authorization for, and subsequent delivery of, fingerprints to the California Department of Justice, or NMLS, if and when NMLS can process fingerprints taken in a specific state, to check criminal history in that state. Fingerprinting shall be done in accordance with Section 2036 of these rules.

(B) An individual named in MU1, for whom an MU2 has been filed, who is not residing in the United States, or who has not resided in the United States for at least ten years, must also submit an investigative background report, in accordance with Section 2037 of these rules. This investigative report shall be required in addition to fingerprinting.

(C) An applicant shall pay all fees related to fingerprinting, the criminal history background check, and the investigative background report.

(4) An applicant shall submit through NMLS, as an exhibit to Form MU1, audited financial statements with an unqualified opinion prepared by an independent certified public accountant, in accordance with generally accepted accounting principles, and acceptable to the Commissioner. The audited financial statements shall be prepared as of the applicant's most recent fiscal year end, or a more recent date, and must document a minimum tangible net worth of \$250,000.

(5) In addition to the identification of business activities requested on Form MU1, an applicant shall upload to NMLS a detailed description of the applicant's business activities. If an applicant identifies additional contact employees in Item # 7 of Form MU1, the applicant must upload an entity organizational chart.

(6) An applicant shall submit the surety bond required by Code section 28142, through NMLS, utilizing NMLS' electronic surety bond function and form, in accordance with Section 2045 of these rules.

(7) An applicant shall upload to NMLS copies of its Policies and Procedures, demonstrating how the applicant will comply with the borrower protection requirements

of the Act, specified at Code section 28130, subsections (f) through (h), and these rules, related to borrower protections.

(8) If an applicant intends to engage in any activities not specified in Item #1 of Form MU1, the applicant shall upload this information to NMLS.

(9) Business entities shall upload the following documents to NMLS, for transmission to the Commissioner:

(A) A corporate applicant shall upload a certificate of qualification or good standing from the California Secretary of State, executed not more than sixty days before the filing of the application. The certificate must show that the applicant is authorized to transact business in the State of California.

(B) A foreign corporation shall upload a certificate of qualification or good standing from the Secretary of State of the state of incorporation, executed not more than 60 days before the filing of the application, showing that the applicant is authorized to transact business in that state.

(C) A partnership applicant shall upload its partnership agreement.

(D) A limited liability company shall upload its Operating Agreement.

(E) A limited partnership or limited liability company applicant shall upload a certificate of qualification or good standing from the California Secretary of State, executed not more than 60 days before the filing of the application, showing that the applicant is authorized to transact business in the State of California.

(F) A foreign limited partnership or limited liability company applicant shall upload a certificate of qualification or good standing from the Secretary of State of the

state of formation, executed not more than 60 days before the filing of the application, showing that the applicant is authorized to transact business in that state.

(10) Every applicant shall provide a registered agent for service of process, located within the state of California, through NMLS, on Form MU1. *Every applicant shall also upload to NMLS, an Appointment of the Commissioner as the applicant's agent to receive process, in accordance with the Act, and Section 2036 of these rules.*

(11) An applicant shall provide its website information, through NMLS, on Form MU1.

(12) The individual attesting to the filing of the Form MU1 must be a duly authorized individual, who has submitted a Form MU2, or has been delegated to attest to the filing by an individual who has submitted a Form MU2. The attestation provided pursuant to this paragraph shall constitute an agreement to comply with the requirements of Section 28130 of the Code.

(b) FEES: The application fee (\$300), and the investigation fee (\$100), required under Code Section 28112, and any other fees payable through NMLS, shall be paid through NMLS, for transmission to the Commissioner. Any fees that cannot be paid through NMLS shall be paid directly to the Commissioner. Fees are not refundable.

(c) COMPLETION OF FILING AND ISSUANCE OF LICENSE: An application for licensure as a student loan servicer is not deemed complete until all required fees, all required submissions, and all background and investigative reports are received by the Commissioner. The filing of Form MU1 with NMLS does not constitute automatic approval of a license. The student loan servicer shall not consider the application approved until it is approved by the Commissioner and a license is issued to the

applicant. In accordance with Code Section 28122(b), the Form MU1 application may be considered withdrawn, if the Commissioner does not receive information requested in a deficiency notification, within 60 days of the date of notification.

(d) FILING AN AMENDMENT: In the event of a change to the information in the application, or exhibits thereto, the student loan servicer shall file an amendment to the Form MU1, MU2 or MU3, through NMLS, in accordance with the procedures in Section 20401 of these rules. Prior to the issuance of a license, any amendment to an application shall be filed within five (5) days of the event necessitating the amendment.

Note: Authority cited: Sections 28106, Financial Code. Reference: ~~Sections 17900, 17910, 17913 and 17926, Business and Professions Code; Section 1798.17, Civil Code; Section 7473, Government Code;~~ Sections 28106, 28110, 28112, 28114, 28116, 28118, 28122, 28128, 28130 and 28142, Financial Code; ~~Section 17520, Family Code; and Section 11077.1, Penal Code.~~

§2036. Appointment of Commissioner of Business Oversight as Agent for Service of Process.

(a) Applicants are required to complete and submit to the Commissioner, in accordance with subsections (b) and (c), the following Appointment Of Commissioner Of Business Oversight As Agent For Service Of Process form:

**STATE OF CALIFORNIA –DEPARTMENT OF BUSINESS OVERSIGHT
APPOINTMENT OF COMMISSIONER OF BUSINESS OVERSIGHT AS AGENT FOR
SERVICE OF PROCESS PURSUANT TO SECTION 28112 of the California Financial Code**

(Name of Applicant), (hereinafter referred to as the "Applicant"), which is applying for a license under the Student Loan Servicing Act (commencing with Section 28100 of the California Financial Code), hereby irrevocably appoints the Commissioner of Business Oversight of the State of California and his or her successor, to be the Applicant's agent to receive service of any lawful process in any noncriminal judicial or administrative proceeding against the Applicant, or any successor, executor, or administrator of the Applicant, which arises under the Student Loan

Servicing Act, or under any regulation or order issued under the Student Loan Servicing Act, with the same force and validity as if served personally on the Applicant.

Dated: _____

*_____
Name of Applicant (Printed)*

*By: _____
(Signature)*

(The signature of the Applicant must be notarized.)

(b) The Appointment form must be signed by an individual with authority to sign on behalf of the applicant. The signature of the individual signing the Appointment form must be notarized.

(c) Applicants must file the completed, signed, notarized Appointment form, electronically, with NMLS, for transmission to the Commissioner.

Note: Authority cited: Section 28106, Financial Code. Reference: Section 28106, Financial Code

§20367. Fingerprints and Background Checks.

(a) Subject to subsection (b) of this section, all applicants must submit fingerprints through the California Department of Justice's ("Department of Justice") electronic fingerprint submission Live Scan Service ("Live Scan").

(b) Applicants must complete the ~~three-part~~ Department of Justice Form "Request for Live Scan Service," and submit fingerprinting, through Live Scan, for each of the following persons, who must be listed in the applicant's MU1, and submit a MU2:

(1) Applicant, if an individual;

(2) The President, Chief Executive Officer, Treasurer, and Chief Financial Officer, of the applicant;

- (3) The directors of the applicant;
 - (4) The managing members of the applicant, if applicant is a limited liability company;
 - (5) The general and managing partners of the applicant, if applicant is a partnership;
 - (6) The trustee of applicant, if applicant is a trust;
 - (7) Individuals owning or controlling, directly or indirectly, ten percent (10%) or more of the applicant; and
 - (8) Individuals responsible for the conduct of the applicant's servicing activities, such as branch managers and persons in charge of the servicing business of the applicant, at any location for which licensure is applied.
- (c) The applicant must take the ~~three-part~~ form to a Live Scan location to have their fingerprints taken by the operator. The applicant will be required to pay all fingerprint processing fees payable to the Live Scan operator, including the Live Scan operator's "rolling fee," if any, and fees charged by the California Department of Justice, and the Federal Bureau of Investigation. For current information about fingerprint background checks, and Live Scan locations, please visit the Attorney General's website at: <https://oag.ca.gov/fingerprints>.
- (d) For each individual required to be fingerprinted, applicants must upload to NMLS, as proof of Live Scan completion, a copy (~~Requesting Agency Copy~~) of the Department of Justice Request for Live Scan Form.
- ~~(e) The only exception to the requirement to submit fingerprints electronically, through Live Scan, is for those individuals (almost without exception, individuals living~~

~~and working outside California), who have submitted a Request for Exemption from Mandatory Requirement to, and obtained approval from, the Department of Justice to submit fingerprint cards, using a Bureau of Criminal Identification fingerprint card, instead of Live Scan.~~

(e) Individuals residing outside of California that cannot be fingerprinted electronically in California must have their fingerprints taken at a law enforcement agency in their state of residence, using fingerprint cards. These individuals should complete two fingerprint cards. The applicant should retain the second card, to be used if the first card is determined to be unreadable and rejected by the Department of Justice. Applicants must ~~Mail the completed Request for Exemption form, and mail one~~ fingerprint card, together with fees in the amount of \$49 (either personal check drawn on a U.S. bank, money order or certified check), ~~made payable to the "California Department of Justice," to:~~

California Department of Business Oversight

One Sansome Street, Suite 600

San Francisco, CA 94104-4428

~~The Department of Justice will notify~~ Applicants will be notified if the first card is rejected. If rejected, applicants must follow the instructions on the rejection letter, and submit the second fingerprint card ~~to the Department of Justice~~. The Department of Justice does not charge an additional fee to process the second fingerprint card.

(f) No license will be issued until the Department receives a response is

~~received~~ from the Department of Justice for all persons required to submit fingerprint information under the SLSA, and the Department determines that the applicant with whom the persons fingerprinted are affiliated merits approval.

Note: Authority cited: Sections 28106, Financial Code. Reference: Sections 28106, 28110, 28112, and 28114, Financial Code.

~~§20378.~~ Information Regarding Individuals Who Are Not Residents of the United States.

(a) In addition to other background information required in the application, applicants must engage a search firm to perform an investigative background report of each individual required to be fingerprinted under the SLSA and Sections 2035 and 2036 of these rules, who does not currently reside or has not resided in the United States for at least ten years. A copy of the investigative report may be submitted to the Commissioner, by uploading a copy of the report to applicant's NMLS account. The search firm must be able to demonstrate that it has sufficient resources and is properly licensed to conduct the background search. The search firm may not be affiliated with or related to the persons who are the subject of the search. The report must be in English. The cost of the report shall be paid by the applicant or individual.

(b) The report shall contain the following, at a minimum:

(1) A comprehensive credit report and/or history, including the actual credit report, as well as a summary.

(2) Civil court and bankruptcy court records concerning the applicant or individual, for the past ten years. The search for such records shall include a search of

the court data in the country(ies), states, and towns where the person resided or worked.

(3) Criminal records of the applicant or individual, including felonies, misdemeanors and violations (excluding traffic violations). The search for such records shall include a search of court data in the country(ies), states, and towns where the person resided or worked.

(4) Education records.

(5) Employment history during the last ten years.

(6) Media records referencing the applicant or individual. The search for such records shall include a search of national and local publications, wire services, and business publications.

(7) Regulatory history, particularly in student loan lending and servicing, lending and servicing, generally, and securities.

(c) The report shall be accompanied by a search summary letter, which

(1) identifies the scope of the search,

(2) indicates the independence of the search firm from the applicant and the individual(s) who are the subject of the search, and

(3) identifies a person and contact information for that person, who the Commissioner may contact with questions regarding the report.

(d) If the applicant or individual has had a report, containing at least the information listed in subdivision (b) of this section, prepared for another licensing agency within 12 months of the filing of the application, the applicant or individual may request permission from that licensing agency or the search firm to submit a copy of

that report to the Commissioner. If the applicant or individual elects to submit a prior report as authorized in this subdivision, the applicant or individual shall also submit a statement of no material change in items in the report.

Note: Authority cited: Sections 28106, Financial Code. Reference: Section 28106, Financial Code.

§20389. Branch Office Instructions for Student Loan Servicers.

(a) A student loan servicer that seeks to engage in business at an additional location must submit an application for a branch office by submitting Form MU3, in accordance with the instructions of NMLS, for transmission to the Commissioner, at least ten days (10) before engaging in business at the location.

(b) An applicant that intends to conduct business at the branch office under a fictitious business name not already approved by the Commissioner shall upload to NMLS a copy of the Fictitious Business Name Statement with the “filed stamp” from the county clerk's office, and may not use the name until the Commissioner approves the use of the name.

(c) An applicant shall indicate the branch manager as a branch manager on the Form MU3 and submit to NMLS a Form MU2 for each branch manager.

~~(d) The Commissioner may request additional information, documentation or detail pertaining to the branch office application.~~

(ed) Application, investigation, and fingerprinting fees payable under Financial Code section 28112(b), and any other fees payable through NMLS, shall be paid by the applicant or licensee to NMLS, for transmission to the Commissioner. Any

fees that cannot be paid through NMLS shall be sent directly to the Commissioner. Fees are not refundable.

Note: Authority cited: Section 28106, Financial Code. Reference: Section 28106, 28110, 28112, 28114, 28116, 28118, 28128 and 28130, Financial Code.

~~§203940.~~ Notices Included with Applications.

The following notices required by state and federal law are hereby provided for those completing an application for a student loan servicer license under these rules:

NOTICES REQUIRED UNDER STATE AND FEDERAL LAW INFORMATION
PRACTICES ACT OF 1977 (California Civil Code Section 1798.17)

(a) The Department of Business Oversight of the State of California is requesting the information specified in the application for licensure of student loan servicers.

(b) The Deputy Commissioner for Administration, the Department of Business Oversight, ~~1515 K Street, Suite 200 Sacramento, CA 95814, telephone (916) 445-5541,~~ is responsible for the system of records and shall, upon request, inform individuals regarding the location of the Department of Business Oversight's records and the categories of persons who use the information in the records.

(c) The records are maintained pursuant to the Student Loan Servicing Act (Financial Code Section 28100, et seq.).

(d) The submission of all items of information is mandatory, ~~unless otherwise noted.~~ The Department of Business Oversight 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 federal Privacy Act of 1974 prohibits a state agency from denying an individual any right, benefit or privilege provided by law because of the individual's refusal to disclose the individual's social security account number.~~

(e) Failure to provide all or any part of the information requested may preclude the Department of Business Oversight from approving the application.

(f) The principal purposes within the Department of Business Oversight for which the information is to be used are to determine whether (1) a license, registration, or other authority, as allowed under the law, should be accepted, granted, approved, denied, revoked or limited in any way; (2) business entities or individuals licensed or otherwise regulated by the Department of Business Oversight are conducting themselves in accordance with applicable laws; and/or (3) laws administered by the Department of Business Oversight are being or have been violated and whether administrative action, civil action, or referral to appropriate federal, state or local law enforcement or regulatory agencies, as authorized by law, is appropriate.

(g) Any known or foreseeable disclosures of the information pursuant to subdivision (e) or (f) of Civil Code Section 1798.24 may include transfers to other federal, state, or local law enforcement and regulatory agencies, including NMLS as a channeling agent to, from, or on behalf of those federal, state, and local law enforcement and regulatory agencies, as authorized by law.

(h) Subject to certain exceptions or exemptions, the Information Practices Act grants an individual a right of access to personal information concerning the requesting individual that is maintained by the Department of Business Oversight.

FEDERAL PRIVACY ACT OF 1974 (Public Law 93-579)

(i) In accordance with Section 7 of the Privacy Act of 1974 (found at 5 U.S.C. § 552a note (Disclosure of Social Security Number)), the following is information on whether the disclosure of a social security account number is voluntary or mandatory, by what statutory or other authority such number is solicited, and what uses will be made of it.

(1) The Department of Business Oversight 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 Privacy Act of 1974 prohibits a state agency from denying an individual any right, benefit or privilege provided by law because of the individual's refusal to disclose the individual's social security account number.~~

(2) A social security account number or federal taxpayer identification number is solicited pursuant to one or more of the following authorities: these rules, and Sections 28106, 28108 and 28116 of the Financial Code; Section 17520 of the Family Code; and Section 494.5 of the Business and Professions Code.

(3) For all persons disclosing a social security account number or federal taxpayer identification number, the 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 Department of Tax and Fee Administration, and the Franchise Tax Board, under Business and Professions Code Section 494.5. The social security number may be used, in addition to other information provided, to conduct a background investigation of

the individual by the Department of Justice's Identification and Information Branch or by other federal, state or local law enforcement agencies, as authorized by law. The social security number may also be used to respond to requests for this number made by child support agencies.

NOTICE REGARDING TAXPAYER INFORMATION

(j) The State Department of Tax and Fee Administration, and the Franchise Tax Board, are authorized to share taxpayer information with the Department of Business Oversight. In the event the state tax obligation is not paid by a licensee, the Department of Business Oversight may be required to suspend the license.

Note: Authority cited: Section 28106, Financial Code. Reference: ~~Sections 31 and 494.5, Business and Professions Code; Section 1798.17, Civil Code; Sections 28106, Financial Code; Section 17520, Family Code; Sections 7470, 7473, 7490 and 13140-13144, Government Code; and Section 7 of Public Law 93-579 (5 U.S.C. Section 552a note).~~

~~§20401.~~ Notice of Changes by Student Loan Servicer.

(a) Each licensed student loan servicer shall, upon any change in the information contained in its application for license (other than financial information contained therein, and its Policies and Procedures, demonstrating how the applicant will comply with the borrower protection requirements of the Act, specified at Code section 28130, subsections (f) through (h).), file an amendment to such application setting forth the changed information. All such amendments shall be filed within ten business days of

the occurrence of the event that results in the information becoming inaccurate or incomplete.

(b) A student loan servicer shall file changed information contained in its Forms MU1, MU2, and MU3, and any exhibits thereto, through NMLS, in accordance with its procedures, for transmission to the Commissioner. Any change that cannot be submitted through NMLS shall be filed directly with the Commissioner.

Note: Authority cited: Sections 28106, Financial Code. Reference: Section 1798.18, Civil Code; and Sections 28110 and 28126, Financial Code.

~~§2042~~2. Effectiveness of Student Loan Servicer License.

A student loan servicer license, granted under the Act, continues in effect until it is revoked, or suspended, by the Commissioner, or surrendered by the student loan servicer, and the surrender has been accepted by the Commissioner, in accordance with Section 28150 of the Code, and these rules.

Note: Authority cited: Sections 28106, Financial Code. Reference: Sections 28124 and 28150, Financial Code.

~~§2042~~3. Challenge Process for Information Entered into NMLS.

(a) If an applicant or licensee disputes the accuracy or completeness of any material information entered into and maintained by NMLS, the applicant or licensee may submit a written request to the Commissioner to the attention of the ~~Special~~ Administrator Manager, Student Loan Servicing Program Act, Department of Business Oversight, ~~1515 K Street, Suite 200, Sacramento, CA 95814~~.

(b) The request shall include the applicant or licensee's name, unique identifier, a statement of the alleged inaccuracy or incompleteness of the information entered into NMLS, and its materiality, and shall provide any proof or corroboration available, including copies of official documents or court orders that support the changes requested by the applicant.

(c) Upon receipt of the request, the Commissioner shall investigate the request, along with any information provided, and determine if the information entered into NMLS is correctly reflected.

(d) If the Commissioner determines that the information is materially incorrect, the Commissioner shall request that the NMLS record be corrected.

(e) If the Commissioner denies the allegations of material inaccuracy or incompleteness in the NMLS record, the Commissioner shall notify the licensee or applicant in writing.

(f) Within 30 days from the mailing or service of the notification, the person may request a hearing under the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 1, Division 3, Title 2 of the Government Code) for a determination of whether material inaccuracy or incompleteness exists in the record.

(g) If a material inaccuracy or incompleteness is found in any record, within 30 days of notice of the finding, the Commissioner shall request that NMLS correct the information.

(h) Judicial review of the decision shall be governed by Section 11523 of the Government Code.

Note: Authority cited: Sections 28106, Financial Code. Reference: Section 28110, Financial Code.

§20434. Share Arrangements with Other Governmental Agencies.

The Commissioner is authorized to share any information or material that has been submitted to the NMLS, with any governmental agency, including but not limited to, the California Attorney General, the California Department of Justice, the U.S. Department of Justice, the U.S. Department of Education, the Consumer Financial Protection Bureau, the Federal Bureau of Investigation, state, local, or federal regulatory agencies, state attorneys general, and county district attorney's offices. The information or material that is shared with a governmental agency shall be accomplished without the loss of privilege or the loss of confidentiality protections provided by law.

Note: Authority cited: Section 28106, Financial Code. Reference: ~~Section 1798.24, Civil Code; and~~ Sections 28106 and 28174, Financial Code.

§2045. Request for Confidential Treatment.

A student loan servicer may request that certain documents, or parts thereof, be treated confidentially. A request for confidentiality shall be in writing and made pursuant to Section 250.10 of Article 1 of Subchapter 1 of these rules. ~~If a request for confidential treatment is granted or denied, The Commissioner shall notify the person making such request will be notified,~~ in writing, *whether the request is granted or denied.*

Note: Authority cited: Section 28106, Financial Code. Reference: ~~Section 1798.24, Civil Code; and~~ Section 28106, Financial Code.

~~Article 4. Audit Reports~~

~~§2046. Preparation of Independent Audit Report.~~

~~The audit report which must be filed with the Department within 105 days of the end of the licensee's fiscal year, pursuant to Section 28148 of the Code, must include a description of the system of internal control used by the student loan servicer, including material weaknesses in internal accounting controls, recommendations for improvements, and comments concerning corrective actions taken or in process.~~

~~Note: Authority cited: Section 28106, Financial Code. Reference: Section 28148, Financial Code.~~

Article 3. Surety Bond

§2046. Surety Bond.

(a) All surety bonds, amendments, cancellations, notices of claims, and information related to surety bonds, shall be filed with, and processed through, NMLS.

(b) The surety bond shall be in the form of the “electronic surety bond form,” ~~available on the NMLS website, titled “SURETY BOND, STUDENT LOAN SERVICING ACT LICENSEE BOND (California Financial Code Section 28100, et seq.), ESB Form Version 1 Effective 01/01/2018, NMLS Version: CA-DBO-01/01/2018, available at~~ [CA-DBO Student Loan Servicer License ESB Form](#). *A copy of the e-surety bond form is attached to these proposed regulations as Exhibit 4, and incorporated herein by reference.*

(c) (1) Every licensee shall post and maintain a surety bond, in accordance with Section 28142 of the Code, in the minimum amount of \$25,000.

(2) A licensee will be required to post a surety bond in an amount greater than \$25,000, if the dollar amount of student loans serviced by the licensee in the preceding calendar year exceeds \$50,000,000. The specific amount of the required bond is as follows:

<i>Aggregate Loans</i>	<i>Bond Amount</i>
0 - \$50,000,000	\$ 25,000
\$50,000,001 - \$100,000,000	\$ 50,000
\$100,000,001 - \$250,000,000	\$ 75,000
Over \$250,000,000	\$ 100,000

~~(c) A student loan servicer without a prior year operating history shall make a good faith estimate of the aggregate amount of loans anticipated to be serviced in the upcoming year, to determine the amount of the surety bond.~~

(d) The surety bond shall not be cancelled in whole or in part, without at least 30 days notice to the Commissioner by the surety, bonding or insurance company.

(e) The surety bond shall also provide that the surety, bonding or insurance company issuing the bond provide notice to the Commissioner within 10 days of service of any action against the bond, and, immediately, upon payment of any claims.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28110 and 28142, Financial Code.

Article 4. Assessments

§20467. Annual Assessments.

(a) *Each licensee must pay ~~the~~ the annual assessment, required under Financial Code section 28144. The assessment represents the licensee's pro rata share of all costs and expenses incurred by the Department to run the Student Loan Servicing Program. A licensee's pro rata share is the proportion that a licensee's servicing activities in California bears to total costs and expenses, after deducting \$250 for each licensed location. ~~is calculated from information provided in the annual report.~~ A licensee's servicing activities in California is the percentage which the number of borrowers serviced in California by the licensee bears to the total number of borrowers serviced by all licensees in California.*

(b) Assessment notices will be distributed to licensees on or before September 30 of each year.

(c) The Commissioner may choose to distribute assessment notices through NMLS.

(d) The Commissioner may require that all assessments be paid through NMLS.

Note: Authority cited: Section 28106, Financial Code. Reference: Section 28110 and 28144, Financial Code.

Article 5. Borrower Protections

§20478. Borrower Information and Statements of Account, Payment Processing, Co-signer Payments.

(a) The student loan servicer licensee shall maintain on its internet website, free of charge, complete, detailed information and account records for each student loan borrower. This information and accounting shall be accessible to the borrower only, through a secure log in system. This information shall include a consolidated report, for each student loan borrower, and a loan history, for each loan serviced. This information and accounting shall be available to borrowers at all times, except for occasional, short periods of time when the servicer's system is not available because the system is undergoing routine maintenance or blocked for security reasons.

(b) The consolidated report required to be maintained must include the information specified in Section 205~~4~~2, subdivision (b), of these rules.

(c) The loan history for each loan serviced must include the information specified in Section 205~~2~~3, subdivision (c), of these rules.

(d) A licensee shall credit any electronic (on line) payment made to a borrower's account on the same business day the payment is electronically paid by the borrower, if paid before the daily cut off time for same day crediting posted on the servicer's website, or the next business day, if after the posted cut off time. If a payment is made with check, the licensee shall credit the payment on the date received by the licensee, regardless of the date of processing. Borrowers' on line accounts shall reflect payments made, within three business days of the date of payment, unless payment is made by check and contains no information identifying to which account or loan the payment should be credited. In the event servicer receives a paper check with no information identifying to which account or loan the payment should be credited, the servicer may take a reasonable amount of time, not to exceed ten business days, to research the

issue and determine to which account and loan the payment should be credited. When the servicer determines to which account and loan the payment should be credited, the servicer shall credit the payment as of the date the payment was received by the servicer, and update the borrower's on line account within one business day.

(e) Servicers must provide a specific process, clearly explained on the servicer's website, which student loan co-signers may follow to apply co-signer payments to co-signed loans. Provided co-signers follow the specific process specified by servicers, servicers must follow instructions provided the elections made by a student loan co-signer regarding the allocation application of co-signer payment(s). In the absence of contrary instructions from the co-signer, the servicer may only apply payments made by co-signers to the specific student loan(s) for which the payor has co-signed, and may not apply any portion of these co-signer payments to any other outstanding student loans, for which the payor has not co-signed.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28130, Financial Code.

§20489. Qualified Written Requests.

(a) A servicer is only required to send an acknowledgment of receipt of a "Qualified Written Request," within five business days of receipt, if the action requested by the borrower has not been taken within five business days of receipt of the Qualified Written Request.

(b) Servicers may designate a specific electronic address to which Qualified Written Requests must be sent. Servicers may also designate a specific physical address to which Qualified Written Requests must be sent. A servicer which

designates a specific address or addresses for receipt of Qualified Written Requests must post the designated address(es) on the servicer's website.

(c) A servicer is only required to send a borrower a total of three notices stating that there will be no response to a "Qualified Written Request," because the borrower has previously submitted the same request, received a response, and provided no new information in its subsequent, duplicative Qualified Written Request.

Note: Authority cited: *Section 28106, Financial Code*. Reference: *Sections 28130 and 28132, Financial Code*.

§204950. Customer Service, Alternative Repayment Plans, Loan Forgiveness Benefits.

(a) Customer Service.

All student loan servicer licensees, including servicers of federal student loans and private student loans, must prominently post, on the homepage of the servicer's internet website, a toll-free telephone number borrowers may call to discuss their student loans with a live person.

(1) Federal student loan servicer representatives answering calls to this toll free number must have been fully trained about, and ~~be~~ capable of informing and discussing with callers, alternative repayment plans and loan forgiveness benefits. If the caller calls to inquire about repayment options, Federal student loan servicer representatives must inform and discuss with callers, alternative repayment plans and loan forgiveness benefits. Federal student loan servicer representatives must also be trained in the differences among deferment, forbearance and alternative repayment plans, and able to answer caller questions regarding the differences. ~~Given the substantial negative~~

~~consequences of forbearance, servicer representatives must be trained to encourage borrowers to elect an alternative repayment plan, instead of forbearance.~~

(2) Private student loan servicer representatives answering calls to this toll-free number must have been fully trained about, and capable of informing and discussing with callers, any alternative repayment plan offered by servicer or promissory note holder for the private student loans serviced ("Private Student Loan Alternative Repayment Arrangements"), in accordance with subsection (c) below. If the caller calls to inquire about repayment options, private student loan servicer representatives must inform and discuss with callers, Private Student Loan Alternative Repayment Arrangements, in accordance with subsection (c) below.

(b) Publication of Federal Student Loan Repayment Options and Loan Forgiveness Benefits

(1) To assist the prevention of borrower delinquency or default, all ~~student loan servicers~~ licensees of federal student loans must prominently post, on the ~~homepage of~~ the servicer's internet website, clear and complete information, written in easily understandable language, about repayment options available for federal student loans, including deferments and income-based alternative repayment plans, available under Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C., § 1070, et seq. The posted information may appear on the servicer's homepage or be available through links on the homepage to specified web pages. The posted information shall include direct, live links to the following web pages, or successor or replacement web pages, of the Student Aid Office of the United States Department of Education website: "How to

Repay Your Loans,” <https://studentaid.ed.gov/sa/repay-loans>; and <https://studentloans.gov/myDirectLoan/repayOptions.action>.

(2) To assist the prevention of borrower delinquency or default, all servicers of federal student loans ~~servicer licensees~~ must prominently post, on ~~the homepage of the~~ servicer’s internet website, clear and complete information, written in easily understandable language, about loan forgiveness benefits available to qualifying federal student loan borrowers. The posted information may appear on the servicer’s homepage or be available through links on the homepage to specified web pages. The posted information shall include direct, live links to the following web pages, or successor or replacement web pages, of the Student Aid Office of the United States Department of Education website: “How to Repay Your Loans,” <https://studentaid.ed.gov/sa/repay-loans>; <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation>; and <https://studentloans.gov/myDirectLoan/repayOptions.action>.

(3) Annual Notice of Repayment Options and Loan Forgiveness Benefits.

(A) At least once per calendar year, all ~~student loan~~ servicers of federal student loans shall send to borrowers a plain language notice, containing the information ~~and or~~ links to information regarding repayment and loan forgiveness options for federal student loans, required under this rule. This notice shall also include the toll-free telephone number to call to discuss federal student loans with a live person.

(c) Private Student Loans

(1) Publication of Private Student Loan Alternative Repayment Arrangements. Servicers of private student loans, must ~~prominently post~~ provide ~~on the homepage of~~

~~the servicer's internet website, borrowers~~ clear and complete information, written in easily understandable language, about ~~any alternative repayment plan offered by servicer or promissory note holder for the private student loans serviced~~ (Private Student Loan Alternative Repayment Arrangements).

(2) Properly Evaluating Private Student Loan Alternative Repayment Arrangement Requests From A Borrower.

Servicer shall establish policies and procedures, and implement them consistently, in order to facilitate disclosure of Private Student Loan Alternative Repayment Arrangements, including:

(i) Providing accurate information regarding any Private Student Loan Alternative Repayment Arrangements that may be available to the borrower through the promissory note, that may have been marketed to the borrower through marketing materials, or that have been widely advertised or marketed by the servicer, original lender, or promissory note holder as available to similarly-situated borrowers; and

(ii) If Servicer offers Private Student Loan Repayment Arrangements, servicer shall consistently present and offer those arrangements to borrowers with similar financial circumstances.

(iii) Servicer may satisfy the requirements of (i) and (ii) above by demonstrating that servicer has made reasonable efforts to obtain information from the original lender or promissory note holder about Private Student Loan Alternative Repayment Arrangements that may have been marketed to the borrower through marketing materials, or that have been widely advertised or marketed by the servicer, original lender, or promissory note holder as available to similarly-situated borrowers.

(3) Annual Notice of Private Student Loan Alternative Repayment Arrangements.

Servicer shall provide eligible borrowers with a single-page notice at least once per calendar year, which includes a plain language description of all Private Student Loan Alternative Repayment Arrangements for which the borrower is eligible, consistent with the policies and procedures established by servicer, pursuant to Code section 28130, and this rule. This single-page notice shall also include the toll-free telephone number to call to discuss student loans with a live person.

(d) All student loan servicer licensees shall send to borrowers the notification required to be sent to borrowers once per calendar year, under Code section 28130, and this rule, by the preferred method of communication indicated by the borrower (email or regular mail, through the United States Postal Service). If the borrower has not indicated a preferred method of communication, the servicer shall send this information by email-regular mail, through the United States Postal Service, to the borrower's last known mailing address on record. If the notification is returned as "undeliverable" by the United States Postal Service, servicer receives a reply email from "Mailer-Daemon," ~~indicating the email to the borrower is notice that the "undeliverable,"~~ the servicer shall send borrower the required notification to the email address(es) servicer has on record for the borrower ~~by regular mail, through the United States Postal Service, to the borrower's last known mailing address on record.~~

Note: Authority cited: Section 28106, Financial Code. Reference: Section 28130, Financial Code.

Article 6. Examinations, Books and Records

§20501. General Books and Records.

(a) A student loan servicer shall establish, and maintain current at all times, the following books and records with reference to its general accounts:

(1) General ledgers reflecting the assets, liabilities, capital, income and expense of the business, in accordance with generally accepted accounting principles;

(2) Cash receipt and disbursement journal.

~~(b) The bank accounts contained in the general ledger shall be reconciled at least once each month with the bank statements of the general accounts.~~

(b) Books and records referenced in this rule must be maintained in accordance with generally accepted accounting principles.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28130 and 28152, Financial Code.

§20542. Aggregate Student Loan Servicing Report.

(a) Each licensee shall maintain a current, aggregate student loan servicing report, which shall be produced, upon request by the Commissioner. Servicer may provide student loan servicing reports for each type of loan serviced, which when read together and aggregated, represent the total amount of student loans serviced by the servicer.

(b) At a minimum, the aggregate student loan servicing report shall contain the following information, with respect to each student loan serviced:

(1) Borrower name;

(2) Number of student loan(s) serviced for each borrower;

(3) Loan #, for each loan;

(4) Loan type, i.e., Federal Direct Loan; FFEL Loan; Perkins Loan; or private student loan.

(5) ~~Loan origination~~ disbursement amount and date, for each loan;

(6) ~~Loan terms of~~ Interest rate(s) and maturity date, or number of monthly payments required to repay the loan, for each loan;

(7) Loan balance and status, for each loan;

(8) Cumulative balance owing for each borrower;

(9) Whether borrower has an application pending ~~applied~~ for, or is repaying under, an alternative repayment plan, listing the plan chosen; and

(10) Whether borrower has an application pending ~~applied for, or qualifies for,~~ any loan forgiveness benefit.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28130 and 28152, Financial Code.

§20523. Individual Student Loan Servicing Records.

(a) A student loan servicer must maintain its books, records, and accounts at one or more of its licensed location(s). The licensee must designate the licensed location(s) at which its books, records, and accounts are maintained. The licensed location(s) and books, records and accounts must be accessible to the Department.

~~(b) A student loan servicer must maintain monthly reconciliations of trust account balances.~~

(b) The individual loan servicing records required to be maintained for each student loan shall include, at the minimum, if the servicer has received, or has access to the documents, the following: the student loan application; disclosure statements sent to

the borrower; the promissory note or loan agreement; the complete loan history; qualified written requests; borrower instructions how to apply overpayments; and statements of account sent to the borrower;~~and such records as the Commissioner may designate.~~

(c) Each loan history shall include disbursements, interest accruals, fees, late charges, any other miscellaneous amounts charged to the borrower, payments received, and the corresponding dates for each.

(d) A student loan servicer must also maintain a consolidated report, for each student loan borrower, individually, containing the information specified in section 2052, subdivision (b), of these rules.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28130 and 28152, Financial Code.

~~§20534. Records of Servicing Sold, Assigned, or Transferred.~~ Notification to Borrower of Transfer.

(a) In addition to the records required under section 20523, subdivision (c), of these rules, a licensee which ~~sells, assigns, or transfers~~ any servicing rights, must also retain the *contract and delivery schedules, detailing loans for which servicing rights were transferred* ~~following information and documents~~, as part of its books and records to be examined by the Commissioner.

~~(1) The contract and delivery schedules, detailing loans for which servicing rights were transferred; and~~

~~(2) Any other documents relating to such transaction, designated by the Commissioner.~~

(b)(1) Licensees shall send to borrowers the notification of transfer required to be sent, by the preferred method of communication indicated by the borrower (email or regular mail, through the United States Postal Service). If the borrower has not indicated a preferred method of communication, the servicer shall send this information by regular mail, through the United States Postal Service, to the borrower's last known mailing address on record. If the notification is returned as "undeliverable" by the United States Postal Service, the servicer shall send borrower the required notification to the email address(es) servicer has on record for the borrower

(2) The license number of the new student loan servicer to which loan(s) have been transferred is the servicer's NMLS number. The servicer's NMLS number may be used in the notification of transfer sent to the borrower.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28130, 28134, 28138 and 28152, Financial Code.

§20545. Records Retention Requirements.

Unless the servicer's contract with the U.S. Department of Education or private lender mandates that records required under these rules be purged or deleted sooner than three years after the loan serviced has been paid in full, assigned to collection, or transferred to another servicer, all records required under these rules, must be maintained for a minimum of three years after the loan serviced has been paid in full, or assigned to collection, or the servicing rights have been sold, assigned, or transferred.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28130, 28134, 28138 and 28152, Financial Code.

~~§20556. Electronic Records: Maintenance, Storage and Reproduction Requirements.~~

(a) Records and reports required under these rules, may be maintained, stored, and reproduced electronically, provided the records are maintained in a commonly used format; are readily accessible, readable, and printable by the Commissioner and Department staff; and are maintained in accordance with generally accepted ed accounting principles.

~~(b) Additionally, an optical image reproduction must meet all of the following requirements:~~

~~(1) The optical image storage media used to store the document shall be nonerasable write once, read many (WORM) optical image media that does not allow changes to the stored document;~~

~~(2) The optical image reproduction shall be made consistent with the minimum standards of quality approved by either the National Institute of Standards and Technology or the Association for Information and Image Management; and~~

~~(3) Written authentication identifying the optical image reproduction as an exact unaltered copy of the note, agreement, assignment, or documents shall be stamped or printed on the optical image reproduction.~~

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28110, 28130, 28152, Financial Code.

Article 7. Surrender of License

§20567. Surrender of License as a Student Loan Servicer.

(a) An application to surrender a license as a student loan servicer shall be filed on Form(s) MU1, MU2, or MU3, through NMLS, in accordance with its procedures for transmission to the Commissioner. A licensee shall amend every branch office application Form MU3.

(b) Subject to subdivision (c) hereof, p~~Subject to subdivision (c) hereof, p~~*Prior to surrendering its license, the Commissioner may require a student loan servicer to file a plan for approval by the Commissioner. The plan shall containing the licensee's detailed proposal for the orderly closing out of its student loan servicing business.* At a minimum, the plan shall contain the following:

(1) A detailed description of the plan to transfer the licensee's existing servicing portfolio, including the time frame within which the transfer will be completed.

(2) The time frame required for payout to the lender of all payments received from the borrowers, or the time frame required for transfer of payments received to another servicer.

(c) As an alternative to the requirements of subdivision (b), a servicer may satisfy this rule by providing the Commissioner the termination requirements of the lender(s) for which servicing has ceased, and evidence of satisfaction of such requirements.

Note: Authority cited: Section 28106, Financial Code. Reference: Sections 28124 and 28150, Financial Code.

EXHIBIT 1- FORM MU-1, NMLS COMPANY FORM



NMLS COMPANY FORM

The NMLS Company Form is the universal licensing form used by companies and sole proprietors to apply for and maintain any non-depository, financial services license authority with a state agency participating on NMLS. Not all sections of the NMLS Company Form may apply to all companies. In accordance with state law, applicants may be required to have certain persons (e.g. Owners, Branch Managers, etc) complete an NMLS Individual Form to be submitted along with the NMLS Company Form.

*** ALL FORMS ARE COMPLETED ELECTRONICALLY THROUGH [NMLS](#) – THIS FORM IS FOR INSTRUCTIONAL PURPOSES ONLY ***

1. Business Activities

Select **all** business activities conducted by your company from the list below, including business activities for which a license request is being submitted or for which your company is not specifically seeking licensing authority. The definitions for these terms can be found in [Business Activities Definitions](#).

Mortgage	Consumer Finance	Debt	Money Services
<input type="checkbox"/> First mortgage brokering	<input type="checkbox"/> Payday lending - storefront	<input type="checkbox"/> First party debt collection	<input type="checkbox"/> Electronic money transmission
<input type="checkbox"/> Second mortgage brokering	<input type="checkbox"/> Payday lending - online	<input type="checkbox"/> Third party debt collection	<input type="checkbox"/> Issuing traveler's checks
<input type="checkbox"/> First mortgage lending	<input type="checkbox"/> Consumer loan brokering	<input type="checkbox"/> Debt negotiation	<input type="checkbox"/> Selling traveler's checks
<input type="checkbox"/> Second mortgage lending	<input type="checkbox"/> Consumer loan lending	<input type="checkbox"/> Debt settlement/debt adjuster	<input type="checkbox"/> Issuing money orders
<input type="checkbox"/> First mortgage servicing	<input type="checkbox"/> Consumer loan servicing	<input type="checkbox"/> Passive debt buying (does not undertake direct collections on accounts)	<input type="checkbox"/> Selling money orders
<input type="checkbox"/> Third party first mortgage servicing	<input type="checkbox"/> Sales finance company activities – motor vehicles	<input type="checkbox"/> Active debt buying (undertakes direct collections on accounts)	<input type="checkbox"/> Bill paying
<input type="checkbox"/> Subordinate lien mortgage servicing	<input type="checkbox"/> Sales finance company activities – general	<input type="checkbox"/> Debt management/credit counseling	<input type="checkbox"/> Issuing and/or selling drafts
<input type="checkbox"/> Third party subordinate lien mortgage servicing	<input type="checkbox"/> Title lending	<input type="checkbox"/> Credit repair	<input type="checkbox"/> Transporting currency
<input type="checkbox"/> Master servicing	<input type="checkbox"/> Refund anticipation lending	<input type="checkbox"/> Judgment recovery	<input type="checkbox"/> Issuing prepaid access/stored value
<input type="checkbox"/> Mortgage loan purchasing	<input type="checkbox"/> Premium finance company activities	<input type="checkbox"/> Repossession agency activities	<input type="checkbox"/> Selling prepaid access/stored value
<input type="checkbox"/> Short sale	<input type="checkbox"/> Retail installment selling	<input type="checkbox"/> Repossession agent activities	<input type="checkbox"/> Check cashing
<input type="checkbox"/> Foreclosure consulting/foreclosure rescue	<input type="checkbox"/> Escrowing agents	<input type="checkbox"/> Non-mortgage loan modifications	<input type="checkbox"/> Foreign currency dealing or exchanging
<input type="checkbox"/> Home equity lending/lines of credit	<input type="checkbox"/> 1031 exchange companies	<input type="checkbox"/> Bi-weekly payment processing services	<input type="checkbox"/> Other – money services
<input type="checkbox"/> Reverse mortgage brokering	<input type="checkbox"/> Private student loan lending	<input type="checkbox"/> Other - debt	
<input type="checkbox"/> Reverse mortgage lending	<input type="checkbox"/> Private student loan servicing		
<input type="checkbox"/> Reverse mortgage servicing	<input type="checkbox"/> Non-private student loan lending		
<input type="checkbox"/> Credit insurance services	<input type="checkbox"/> Non-private student loan servicing		
<input type="checkbox"/> Third party mortgage loan processing	<input type="checkbox"/> Rent-to-own		
<input type="checkbox"/> Third party mortgage loan underwriting	<input type="checkbox"/> Accounting/Billing servicing		
<input type="checkbox"/> Manufactured housing financing	<input type="checkbox"/> Industrial loan lending companies		
<input type="checkbox"/> Lead generation	<input type="checkbox"/> Pawn brokering		
<input type="checkbox"/> Commercial mortgage brokering or lending	<input type="checkbox"/> Property tax lending		
<input type="checkbox"/> Mortgage loan modifications	<input type="checkbox"/> Non-depository ATM operation		
<input type="checkbox"/> Other - mortgage	<input type="checkbox"/> Prepaid funeral plan providers		
	<input type="checkbox"/> Other – consumer finance		

2. Identifying Information				
Exact name, principal business address, mailing address, if different, and telephone numbers of applicant:				
(A) Entity name (sole proprietors provide last, first, and full middle name)		(B) IRS Employer Identification Number (Social Security Number is allowed for sole proprietorship)		
<hr/>		<hr/>		
(C) Do you want to amend your legal name? <input type="checkbox"/> Yes				
New Entity Name: <hr/>				
(D) Main address (Do not use a P.O. Box):				
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Number & Street	City	State	Country/Province	Postal Code
(E) Business phone, fax and email address:				
() - ext	() - ext	() -	<hr/>	
Business Phone	Toll Free Number (For consumers)	Fax Line	Email Address	
(F) Mailing address: <input type="checkbox"/> Same as above				
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
PO Box or Number & Street	City	State	Country/Province	Postal Code
(G) Other than the office in 2D, does the entity conduct business with consumers through branch offices or other business locations? <input type="checkbox"/> YES <input type="checkbox"/> NO				
(In certain state(s), branch offices or other business locations must be registered or licensed. Use NMLS Branch Form to report these to the regulatory agency(s).)				
3. Other Trade Names				
List any other trade name(s) (i.e. business name, fictitious name, or "doing business as" name) for this company must be identified below. Use additional sheets as necessary.				
NOTE: Review state licensing requirements for rules and restrictions regarding other trade names.				
<hr/>	<hr/>	Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services		
Other Trade Names or "dba" used	State(s) where the Other Trade Name is used			
<hr/>	<hr/>	Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services		
Other Trade Names or "dba" used	State(s) where the Other Trade Name is used			
<hr/>	<hr/>	Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services		
Other Trade Names or "dba" used	State(s) where the Other Trade Name is used			

4. Resident/Registered Agent

Provide the information for your company's resident/registered agent below. If the resident/registered agent is a company rather than an individual, put the words 'registered agent' in the Title field. Use additional sheets if necessary.

Company	First Name	Last Name	Title	
Number & Street (Do not provide PO Box)	City	State	Country/Province	Postal Code
() - ext	() -	Email Address		
Business Phone	Fax Line			

5. Web Addresses

Provide the full web address(es) for the company and any separate websites for other trade names identified in question 3 (if one exists).

(A) Website Address: _____

Is your company accepting applications or transacting business through this website? ☐ YES ☐ NO

(B) Website Address: _____

Is your company accepting applications or transacting business through this website? ☐ YES ☐ NO

(C) Website Address: _____

Is your company accepting applications or transacting business through this website? ☐ YES ☐ NO

6. Primary Contact Employee Information

List below the individual as the primary contact employee for this company. Minimum of one primary company contact and one primary consumer complaint (regulator) contact must be identified and the individual must be authorized to receive all compliance and licensing information, communications and mailings, and be responsible for disseminating it to others within your company as necessary. Use additional sheets if necessary.

- ☐ Primary Company
☐ Primary Consumer Complaint (Regulator)

First Name	Last Name	Title	Email Address	
PO Box or Number & Street	City	State	Country/Province	Postal Code
() - ext	() -			
Business Phone	Fax Line			

7. Additional Contact Employees Information

In the section below, identify any additional contact employee you wish to assist regulators with specific inquiries. Use additional sheets if necessary.

First Name	Last Name	Title	Email Address			
PO Box or Number & Street	City	State	Country/Province	Postal Code		
() - ext	() -					
Business Phone	Fax Line					
Identify applicable industry:	<input type="checkbox"/> Mortgage	<input type="checkbox"/> Debt	<input type="checkbox"/> Consumer Finance	<input type="checkbox"/> Money Services		
Indicate area(s) in charge:	<input type="checkbox"/> Accounting	<input type="checkbox"/> Call Report	<input type="checkbox"/> Consumer Complaint (Public)	<input type="checkbox"/> Consumer Complaint (Regulator)		
	<input type="checkbox"/> Exam Billing	<input type="checkbox"/> Exam Delivery	<input type="checkbox"/> Legal	<input type="checkbox"/> Licensing	<input type="checkbox"/> Litigation	<input type="checkbox"/> Pre-Exam Contact
Identify the state(s) for every listed contact employee:						

8. Books and Records Information

Provide the information requested below for the records custodian maintaining records for the company. Provide the name of the individual who should be contacted with inquiries or to gain access to the storage location. If multiple custodians maintain records for the company, use the Comments field to indicate the types of records this custodian maintains. Use additional sheets if necessary.

Company	First Name	Last Name		
<input type="checkbox"/> Same as main address				
Business Address (Do not provide PO Box)	City	State	Country/Province	Postal Code
() - ext	() -			
Business Phone	Fax Line	Email Address		
Identify applicable industry:	<input type="checkbox"/> Mortgage	<input type="checkbox"/> Debt	<input type="checkbox"/> Consumer Finance	<input type="checkbox"/> Money Services
Identify the state(s) for which every listed record custodian maintains records for the company:				
Comments:				

9. Approvals and Designations

Provide the information below for any approvals and/or designations the company currently holds.

<input type="checkbox"/>	(A) Federal Housing Administration (FHA) Approval (if selected, indicate Approval Type: <input type="checkbox"/> Government Lender <input type="checkbox"/> Investing Lender <input type="checkbox"/> Nonsupervised Lender <input type="checkbox"/> Supervised Lender; and provide Main Approval #: _____)
<input type="checkbox"/>	(B) Ginnie Mae approved Issuer/Servicer (if selected, provide Main Approval #: _____)
<input type="checkbox"/>	(C) Fannie Mae approved Seller/Servicer (if selected, provide Main Approval #: _____)
<input type="checkbox"/>	(D) Freddie Mac approved Seller/Servicer (if selected, provide Main Approval #: _____)
<input type="checkbox"/>	(E) Veterans Administration (VA) Approved Lender (if selected, provide Main Approval #: _____)
<input type="checkbox"/>	(F) FinCEN Registration (Money Service Businesses only) (if selected, provide Confirmation #: _____ and Filing Date: _____)
<input type="checkbox"/>	(G) Uniform Debt-Management Services Act Accreditation
<input type="checkbox"/>	(H) Guaranteed Rural Housing (GRH) Approval (if selected, provide Main Approval #: _____)
<input type="checkbox"/>	(I) Other Approval/Designation (if selected, provide the name of approval/designation and number below)
Name of Approval/Designation: _____ Approval/Registration #: _____	

(J) Will entity engage in any non-financial services-related business?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
If "yes" briefly describe. _____		

(K) Will the entity occupy or share space with any person(s) engaged in financial services-related activity?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
If "yes" briefly describe. _____		

10. Bank Account Information

Bank account information should be provided only if you are instructed by your regulator to provide such information.

Provide the information requested below as required for each bank account, including applicable Industry Type(s) and State(s). Use additional sheets if necessary.

(A) Account Type: ☐ Letter/Line of Credit ☐ Operating ☐ Trust/Primary

If Letter/Line of Credit is selected, complete (B) and (C):

(B) _____ (C) _____
Amount of Letter/ Line of Credit Letter/Line of Credit Expiration Date (MM/DD/YYYY)

(D) Bank Name: _____

(E) _____ (F) _____ (G) _____ (H) _____
PO Box or Number & Street City State Country/Province Postal Code(I) _____ (J) Notes: _____
Account Number(K) Identify applicable industry: ☐ Mortgage ☐ Debt ☐ Consumer Finance ☐ Money Services

(L) Identify the state(s) for every listed bank account: _____

11. Legal Status

(A) Fiscal year end (MM/DD): _____

(B) If other than a sole proprietorship, indicate date and place the entity obtained its legal status (i.e., state or country where incorporated, where partnership agreement was filed, or where applicant entity was formed):

Formation State: _____ Formation Country/Province: _____ Date of formation (MM/DD/YYYY): _____

(C) If publicly traded please insert stock symbol: _____

(D) Indicate legal status of applicant.

- | | | |
|---|--|--|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> General Partnership |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Limited Liability Partnership | <input type="checkbox"/> Limited Liability Limited Partnership |
| <input type="checkbox"/> Not For Profit Corporation | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Trust |
| <input type="checkbox"/> Other (specify) _____ | | |

12. Affiliates/Subsidiaries				
In this section, you must identify each entity under common ownership (affiliate) and each entity under your control (subsidiary) that provides Financial services or settlement services. Use additional sheets if necessary.				
(A) Entity ID: _____ (B) Affiliate/Subsidiary Name: _____ (C) _____ (D) _____ (E) _____ (F) _____ Number & Street City State Country/Province Postal Code (G) Control Relationship: <input type="checkbox"/> Affiliate (Under Common Control) <input type="checkbox"/> Subsidiary (Entity Controls) (H) Description: _____ (I) I am providing an organizational chart or a document briefly describing control relationship(s) with affiliates/subsidiaries and control entities (including percentage of interest) <input type="checkbox"/> YES <input type="checkbox"/> NO				
13. Financial Institutions				
If your company is controlled by a credit union, bank holding company, state member bank of the Federal Reserve System, state non-member bank, national bank, foreign bank, savings association/savings bank, or thrift holding company, all such financial institutions must be identified in this section. Use additional sheets if necessary.				
Type of Institution:		<input type="checkbox"/> Bank Holding Company <input type="checkbox"/> Credit Union <input type="checkbox"/> Foreign Bank <input type="checkbox"/> National Bank <input type="checkbox"/> Savings Association/Savings Bank <input type="checkbox"/> State Member Bank of the Federal Reserve System <input type="checkbox"/> State Non-Member Bank <input type="checkbox"/> Thrift Holding Company		
Financial Institution Name: _____				
Number and Street		City	State	Country/Province Postal Code
Relationship Description: _____				
14. Disclosure Questions				
For purposes of responding to the questions below, the term "control affiliate" means: a partnership, corporation, trust, LLC, or other organization that directly or indirectly controls, or is controlled by, the applicant. If the answer to any of the following is "YES", you must provide complete details to the state(s) where you are licensed/registered or requesting licensure/registration. Remember to file updates of these disclosures as needed.				
Criminal Disclosure			YES	NO
(A) Has the entity or a control affiliate ever:				
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any felony?			<input type="checkbox"/>	<input type="checkbox"/>
(2) been charged with any felony?			<input type="checkbox"/>	<input type="checkbox"/>
(B)				
(1) In the past 10 years has the entity or a control affiliate been convicted of pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to committing or conspiring to commit a misdemeanor involving: (i) financial services or a financial services-related business, (ii) fraud, (iii) false statements or omissions, (iv) theft or wrongful taking of property, (v) bribery, (vi) perjury, (vii) forgery, (viii) counterfeiting, or (ix) extortion?			<input type="checkbox"/>	<input type="checkbox"/>
(2) Are there pending charges against the entity or a control affiliate for a misdemeanor specified in (B)(1)?			<input type="checkbox"/>	<input type="checkbox"/>
Regulatory Action Disclosure				
(C) In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever:				
(1) found the entity or a control affiliate to have made a false statement or omission or been dishonest, unfair or unethical?			<input type="checkbox"/>	<input type="checkbox"/>
(2) found the entity or a control affiliate to have been involved in a violation of a financial services-related regulations(s) or statute(s)?			<input type="checkbox"/>	<input type="checkbox"/>
(3) found the entity or a control affiliate to have been a cause of a financial services-related business having its authorization to do business denied, suspended, revoked or restricted?			<input type="checkbox"/>	<input type="checkbox"/>

(4) entered an order against the entity or a control affiliate in connection with a financial services-related activity?		YES <input type="checkbox"/>	NO <input type="checkbox"/>			
(5) denied, suspended, or revoked the entity's or a control affiliate's registration or license or otherwise, by otherwise, by order, prevented it from associating with a financial services-related business or restricted its activities?		<input type="checkbox"/>	<input type="checkbox"/>			
(D) Has the entity's or a control affiliate's authorization to act as an attorney, accountant, or State or federal contractor ever been revoked or suspended?		<input type="checkbox"/>	<input type="checkbox"/>			
(E) Is there a pending regulatory action proceeding against the entity or a control affiliate for any alleged violation described in (C) through (D)?		<input type="checkbox"/>	<input type="checkbox"/>			
Civil Judicial Disclosure						
(F) Has any domestic or foreign court:		<input type="checkbox"/>	<input type="checkbox"/>			
(1) in the past ten years enjoined the entity or a control affiliate in connection with any financial services-related activity?		<input type="checkbox"/>	<input type="checkbox"/>			
(2) in the past ten years found the entity or a control affiliate was involved in a violation of any financial services-related statute(s) or regulation(s)?		<input type="checkbox"/>	<input type="checkbox"/>			
(3) in the past ten years dismissed, pursuant to a settlement agreement, a financial services-related civil action brought against the entity or control affiliate by a State or foreign financial regulatory authority?		<input type="checkbox"/>	<input type="checkbox"/>			
(G) Is there a pending financial services-related civil action in which the entity or a control affiliate is named for any alleged violation described in (F)?		<input type="checkbox"/>	<input type="checkbox"/>			
Financial Disclosure						
(H) In the past ten years has the entity or a control affiliate been the subject of a bankruptcy petition?		<input type="checkbox"/>	<input type="checkbox"/>			
(I) Has a bonding company ever denied, paid out on, or revoked a bond for the entity?		<input type="checkbox"/>	<input type="checkbox"/>			
(J) Does the entity have any unsatisfied judgments or liens against it?		<input type="checkbox"/>	<input type="checkbox"/>			
15. Direct Owners and Executive Officers						
Provide the information requested below for the individual or company being identified as a (i) direct owner of 10% or more; (ii) executive officer; and/or (iii) control person of your company (excluding indirect owners that must be identified in the Indirect Owners section of this filing). An NMLS Individual Form must be completed for all natural person(s) identified in this section.						
Entity ID	Full Legal Name (Individuals: Last Name, First Name, Middle Name)	Title	% Ownership	Individual or Company <input type="checkbox"/> Individual <input type="checkbox"/> Company	Stock Symbol (Company Only)	SSN or EIN (Company Only)
				<input type="checkbox"/> Individual <input type="checkbox"/> Company		
				<input type="checkbox"/> Individual <input type="checkbox"/> Company		
				<input type="checkbox"/> Individual <input type="checkbox"/> Company		
				<input type="checkbox"/> Individual <input type="checkbox"/> Company		
				<input type="checkbox"/> Individual <input type="checkbox"/> Company		
				<input type="checkbox"/> Individual <input type="checkbox"/> Company		

16. Indirect Owners									
Are there any indirect owners of the entity required to be reported?									
<input type="checkbox"/> YES (If yes, you must provide the information requested in the section below.) <input type="checkbox"/> NO									
Ownership Type examples include: partner, trustee, indirect owner, shareholder, etc. The Equity Owner is the company in which the ownership interest is held. An NMLS Individual Form must be completed for all Individuals identified as control persons.									
Entity ID	Full Legal Name (Individuals: Last Name, First Name, Middle Name)	Ownership Type	Equity Owner in Which Interest is Held	% Ownership	Control Person <input type="checkbox"/> Yes <input type="checkbox"/> No	Stock Symbol (Company Only)	SSN or EIN (Company Only)	Individual or Company <input type="checkbox"/> Individual <input type="checkbox"/> Company	
17. Qualifying Individuals									
Provide the information requested below for the Qualifying Individual, including applicable Industry Type(s) and State(s). In addition, an NMLS Individual Form must be completed for each Qualifying Individual. Use additional sheets if necessary:									
Identify applicable industry by inserting the following code(s) in the <i>Industry</i> column: MTG - Mortgage CF - Consumer Finance DM - Debt MSB - Money Service									
Entity ID	Full Legal Name (Last Name, First Name, Middle Name)	Title	Business Address	City	State	Country/Province	Postal Code	Industry	State(s) for QI


EXECUTION: I, <<NAME>>, <<TITLE/POSITION>>, am employed by or am an officer or a control person of <<COMPANY>> (Applicant). Applicant agrees to and represents the following:

- (1) That the information and statements contained herein, including exhibits attached hereto, and other information filed herewith, all of which are made a part of this application, are current, true and complete and are made under the penalty of perjury, or un-sworn falsification to authorities, or similar provisions as provided by law;
- (2) To the extent any information previously submitted is not amended, such information remains accurate and complete;
- (3) To the extent any information submitted is part of an advance change notice with a delayed effective date, such information is accurate and complete as of this submission;
- (4) That the jurisdiction(s) to which an application is being submitted may conduct any investigation into the background of the Applicant, and any related individuals or entities, in accordance with all laws and regulations for purposes of making a determination on the application;
- (5) To keep the information contained in this form current and to file accurate supplementary information on a timely basis; and
- (6) To comply with the provisions of law, including the maintenance of accurate books and records, pertaining to the conduct of business for which the Applicant is applying.

If the Applicant has knowingly made a false statement of a material fact in this application or in any documentation provided to support the foregoing application, then the foregoing application may be denied.

☐ On this << MM/DD/YYYY >>, I verify that I am the named person above and that I am authorized to attest to and submit this filing on behalf of the Applicant. I solemnly swear (or affirm) under the penalty of perjury or un-sworn falsification to authorities, or similar provisions as provided by law that I have reviewed the foregoing responses, have made diligent inquiry as to their accuracy, and they are true and correct to the best of my knowledge, information and belief.

EXHIBIT 2-FORM MU-2, NMLS INDIVIDUAL FORM

	NMLS INDIVIDUAL FORM UNIFORM BIOGRAPHICAL STATEMENT AND CONSENT FORM
The NMLS Individual Form is the universal form used by individuals required to submit biographical and other information to a state agency through NMLS as part of a license application. Not all sections of the NMLS Individual Form may apply to all applicants.	
* ALL FORMS ARE COMPLETED ELECTRONICALLY THROUGH NMLS – THIS FORM IS FOR INSTRUCTIONAL PURPOSES ONLY *	
1. Identifying Information	
(A) Full last, first and middle names: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 25%;">Last Name _____</div> <div style="width: 25%;">First Name _____</div> <div style="width: 25%;">Full Middle Name _____</div> <div style="width: 25%;">Suffix (if any) _____</div> </div>	
(B) Social Security Number: _____ (C) Gender: <input type="checkbox"/> Female <input type="checkbox"/> Male	
(D) Date of Birth (MM/DD/YYYY) _____ (E) State/Province of Birth _____ (F) Country/Province of Birth _____	
(G) US Citizen: <input type="checkbox"/> YES <input type="checkbox"/> NO (H)* State of Government Issued Identification: _____ (I)* Government Issued Identification Number: _____ (J)* Passport Issuing Country: _____ (K)* Passport Number: _____ * For questions H – K, consult state licensing requirements to see if this is required	
(L) Business phone, home phone, cell phone, fax and email: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 20%;">() - Business Phone</div> <div style="width: 10%;">Extension</div> <div style="width: 20%;">() - Home Phone (optional)</div> <div style="width: 20%;">() - Cell Phone (optional)</div> <div style="width: 20%;">() - Fax Line (optional)</div> <div style="width: 30%;">Email Address _____</div> </div>	
(M) Mailing Address: <input type="checkbox"/> Same as Current Residential Address <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 30%;">Number & Street _____</div> <div style="width: 15%;">City _____</div> <div style="width: 10%;">State _____</div> <div style="width: 20%;">Country/Province _____</div> <div style="width: 25%;">Postal Code _____</div> </div>	
(N) For amendments only: If this filing reports that an individual's name has changed, enter the new name and attach supporting legal documentation: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 25%;">Last Name _____</div> <div style="width: 25%;">First Name _____</div> <div style="width: 25%;">Full Middle Name _____</div> <div style="width: 25%;">Suffix (if any) _____</div> </div>	
2. Other Names	
Other than your legal name, list all name(s) you are using or have used since the age of 18. Examples include nicknames, aliases, and names used before or after marriage. (Use additional sheets as necessary). <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">Name _____</div> <div style="width: 45%;">Name _____</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">Name _____</div> <div style="width: 45%;">Name _____</div> </div>	

3. Residential History

Starting with current address, you must provide all of your residential addresses for the past ten years without gaps. (Attach additional sheets as necessary.)

[illegible]

4. Employment History	
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Starting with current employment, provide a complete employment history for the past ten years without gaps. Account for all time including full & part-time employments, self-employment, military service, and homemaking. Also include periods such as unemployed, retirement, full-time student, extended **travel, etc.** Indicate by "YES" or "NO" whether the employment is/was financial service-related business. (Attach additional sheets as needed.)

[illegible]

5. Other Business		
Are you currently engaged in any other business either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise? (Please exclude non-financial services-related activity that is exclusively charitable, civic, religious, or fraternal and is recognized as tax exempt.) If YES, provide the following details (attach additional sheets as needed.):	YES	NO
<div style="margin-bottom: 10px;"> _____ Business Name </div> <div style="margin-bottom: 10px;"> Does this business conduct financial services-related activities? <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <div style="display: flex; justify-content: space-between; margin-bottom: 10px;"> _____ _____ _____ _____ _____ </div> <div style="display: flex; justify-content: space-between; margin-bottom: 10px;"> Number & Street City State Country/Province Postal Code </div> <div style="margin-bottom: 10px;"> Nature of business: _____ </div> <div style="margin-bottom: 10px;"> _____ Position, Title or Relationship with business </div> <div style="display: flex; justify-content: space-between; margin-bottom: 10px;"> Start Date: _____ Hours per month: _____ </div> <div> Describe your duties: _____ </div>		
6. Disclosure Questions		
If the answer to any of the following is "YES", provide complete details of all events or proceedings. Send the details to the state(s) where you are licensed/registered or requesting licensure/registration. Remember to file updates to these disclosures as needed.		
<div style="text-align: center; font-weight: bold; margin-bottom: 10px;">Financial Disclosure</div> <div style="margin-bottom: 10px;">(A)</div> <div style="margin-bottom: 10px;"> (1) Have you filed a personal bankruptcy petition or been the subject of an involuntary bankruptcy petition within the past 10 years? </div> <div style="margin-bottom: 10px;"> (2) Based upon events that occurred while you exercised control over an organization, has any organization filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition within the past 10 years? </div> <div style="margin-bottom: 10px;"> (3) Have you been the subject of a foreclosure action within the past 10 years? </div> <div style="margin-bottom: 10px;">(B) Has a bonding company ever denied, paid out on, or revoked a bond for you?</div> <div style="margin-bottom: 10px;">(C) Based upon activities that occurred while you exercised control over an organization, has any bonding company ever denied, paid out on, or revoked a bond for any organization?</div> <div style="margin-bottom: 10px;">(D) Do you have any unsatisfied judgments or liens against you?</div> <div style="margin-bottom: 10px;">(E) Are you delinquent on any court ordered child support payments?</div>	YES	NO
<div style="text-align: center; font-weight: bold; margin-bottom: 10px;">Criminal Disclosure</div> <div style="margin-bottom: 10px;">(F)</div> <div style="margin-bottom: 10px;"> (1) Have you ever been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any felony? </div> <div style="margin-bottom: 10px;"> (2) Are there pending charges against you for any felony? </div> <div style="margin-bottom: 10px;">(G) Based upon activities that occurred while you exercised control over an organization:</div> <div style="margin-bottom: 10px;"> (1) Has any organization ever been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any felony? </div> <div style="margin-bottom: 10px;"> (2) Are there pending charges against any organization for any felony? </div> <div style="margin-bottom: 10px;">(H)</div> <div style="margin-bottom: 10px;"> (1) Have you ever been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to committing or conspiring to commit a misdemeanor involving: (i) financial services or a financial services-related business, (ii) fraud, (iii) false statements or omissions, (iv) theft or wrongful taking of property, (v) bribery, (vi) perjury, (vii) forgery, (viii) counterfeiting, or (ix) extortion? </div> <div style="margin-bottom: 10px;"> (2) Are there pending charges against you for a misdemeanor specified in (H)(1)? </div>	YES	NO

(3) was settled for any amount?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Termination Disclosure		
(Q) Have you ever voluntarily resigned, been discharged, or permitted to resign after allegations were made that accused you of:	<input type="checkbox"/>	<input type="checkbox"/>
(1) violating statute(s), regulation(s), rule(s), or industry standards of conduct?	<input type="checkbox"/>	<input type="checkbox"/>
(2) fraud, dishonesty, theft, or the wrongful taking of property?	<input type="checkbox"/>	<input type="checkbox"/>
7. Fingerprint Information		
<input type="checkbox"/> I am requesting a Federal Criminal Background Check Confirm background check method: <input type="checkbox"/> Submit New Prints <input type="checkbox"/> Use Archived Prints The FBI requires the following information to be provided: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> (A) Eye color: _____ (C) Height: _____ (E) Race: _____ </div> <div style="width: 45%;"> (B) Hair color: _____ (D) Weight: _____ </div> </div>		
8. Credit Report		
By requesting a credit report in connection with this filing you agree and instruct us to provide access to the credit report to each state regulator you: (i) have a pending or active license or registration with; or (ii) are requesting a license or registration from in connection with this filing. In addition, if you are a Control Person, you agree and instruct us to provide access to the credit report to each state regulator that any company associated with you through NMLS: (i) has a pending or active license or registration with; or (ii) is requesting a license or registration from in connection with this filing. <input type="checkbox"/> Request a new credit report.		
9. Company Relationship and Sponsorship Representation:		
<p>(A) <input type="checkbox"/> ESTABLISH RELATIONSHIP/ CREATE SPONSORSHIP To the best of my knowledge and belief, at the time of approval, the applicant will be familiar with the statutes, regulations, and rules of the state(s) with which this application is being filed, and will be fully qualified for the position for which application is being made herein. I have taken appropriate steps to verify the accuracy and completeness of the information contained in and with this application. I have provided the applicant an opportunity to review the information contained herein and the applicant has approved this information and signed the form.</p> <p>Relationship Effective Date (MM/DD/YYYY): _____</p> <p>Specify below the license(s) that will be supervised by the company. By making the selection and signing below you denote that the individual's financial-related activities are appropriately supervised by the employer for the individual to be eligible to hold a valid, active, approved license in a state. Supervision of financial-related activity equals Sponsorship. Where required, sponsorships must be established separately for each license. (Use additional sheets as needed)</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 40%;"> License Name: _____ License Name: _____ </div> <div style="width: 40%;"> Sponsorship Effective Date (MM/DD/YYYY): _____ Sponsorship Effective Date (MM/DD/YYYY): _____ </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 30%;"> _____ Company Name </div> <div style="width: 30%;"> by _____ Signature of authorized party </div> <div style="width: 30%;"> _____ Print Name and Title of authorized party </div> </div>		

(B) ☐ **TERMINATE RELATIONSHIP/ SPONSORSHIP** I have taken appropriate steps to verify the accuracy and completeness of the information contained in and with this application for termination of an individual license/registration. I am aware that by terminating the relationship means the termination of the sponsorship as well. (Use additional sheets as needed)

Termination Effective Date (MM/DD/YYYY): _____

License Name: _____

License Name: _____

Company Name

by _____
Signature of authorized party

Print Name and Title of authorized party

Reason for termination (optional):

☐ Deceased on date (MM/DD/YYYY) _____

☐ Permitted to Resign – Explanation _____

☐ Voluntary Resignation

☐ Discharged – Explanation _____

10. Individual's Acknowledgment & Consent

I <<NAME>>, (Applicant) on this date << MM/DD/YYYY >> swear (or affirm) that I executed this application on my own behalf, that I am attesting to and submitting this application, and that I agree to and represent the following:

- (1) That the information and statements contained herein, including exhibits attached hereto, and other information filed herewith, all of which are made a part of this application, are current, true and complete and are made under the penalty of perjury, or un-sworn falsification to authorities, or similar provisions as provided by law;
- (2) To the extent any information previously submitted is not amended and hereby, such information remains accurate and complete;
- (3) That the jurisdiction(s) to which an application is being submitted may conduct any investigation into my background, in accordance with all laws and regulations;
- (4) To keep the information contained in this form current and to file accurate supplementary information on a timely basis; and
- (5) To comply with the provisions of law, including the maintenance of accurate books and records, pertaining to the conduct of business for which I am applying.

If the Applicant has knowingly made a false statement of a material fact in this application or in any documentation provided to support the foregoing application, then the foregoing application may be denied.

☐ I verify that I am the named person above and agree to the language as stated.

EXHIBIT 3-FORM MU-3, NMLS BRANCH FORM



NMLS BRANCH FORM

The NMLS Branch Form is the universal licensing form used by companies to apply for and maintain branch license(s) for any non-depository, financial services license authority if required by a state agency participating on NMLS. In accordance with state law, applicants may be required to have certain persons (i.e. Branch Managers) complete an NMLS Individual Form to be submitted along with the NMLS Branch Form.

*** ALL FORMS ARE COMPLETED ELECTRONICALLY THROUGH [NMLS](#) – THIS FORM IS FOR INSTRUCTIONAL PURPOSES ONLY ***

1. Business Activities

Select **all** business activities conducted at this location by your company from the list below, including business activities for which a license request is being submitted or for which your company is not specifically seeking licensing authority. The definitions for these terms can be found in [Business Activities Definitions](#).

Mortgage	Consumer Finance	Debt	Money Services
<input type="checkbox"/> First mortgage brokering	<input type="checkbox"/> Payday lending - storefront	<input type="checkbox"/> First party debt collection	<input type="checkbox"/> Electronic money transmission
<input type="checkbox"/> Second mortgage brokering	<input type="checkbox"/> Payday lending - online	<input type="checkbox"/> Third party debt collection	<input type="checkbox"/> Issuing traveler's checks
<input type="checkbox"/> First mortgage lending	<input type="checkbox"/> Consumer loan brokering	<input type="checkbox"/> Debt negotiation	<input type="checkbox"/> Selling traveler's checks
<input type="checkbox"/> Second mortgage lending	<input type="checkbox"/> Consumer loan lending	<input type="checkbox"/> Debt settlement/debt adjuster	<input type="checkbox"/> Issuing money orders
<input type="checkbox"/> First mortgage servicing	<input type="checkbox"/> Consumer loan servicing	<input type="checkbox"/> Passive debt buying (does not undertake direct collections on accounts)	<input type="checkbox"/> Selling money orders
<input type="checkbox"/> Third party first mortgage servicing	<input type="checkbox"/> Sales finance company activities – motor vehicles	<input type="checkbox"/> Active debt buying (undertakes direct collections on accounts)	<input type="checkbox"/> Bill paying
<input type="checkbox"/> Subordinate lien mortgage servicing	<input type="checkbox"/> Sales finance company activities – general	<input type="checkbox"/> Debt management/credit counseling	<input type="checkbox"/> Issuing and/or selling drafts
<input type="checkbox"/> Third party subordinate lien mortgage servicing	<input type="checkbox"/> Title lending	<input type="checkbox"/> Credit repair	<input type="checkbox"/> Transporting currency
<input type="checkbox"/> Master servicing	<input type="checkbox"/> Refund anticipation lending	<input type="checkbox"/> Judgment recovery	<input type="checkbox"/> Issuing prepaid access/stored value
<input type="checkbox"/> Mortgage loan purchasing	<input type="checkbox"/> Premium finance company activities	<input type="checkbox"/> Repossession agency activities	<input type="checkbox"/> Selling prepaid access/stored value
<input type="checkbox"/> Short sale	<input type="checkbox"/> Retail installment selling	<input type="checkbox"/> Repossession agent activities	<input type="checkbox"/> Check cashing
<input type="checkbox"/> Foreclosure consulting/foreclosure rescue	<input type="checkbox"/> Escrowing agents	<input type="checkbox"/> Non-mortgage loan modifications	<input type="checkbox"/> Foreign currency dealing or exchanging
<input type="checkbox"/> Home equity lending/lines of credit	<input type="checkbox"/> 1031 exchange companies	<input type="checkbox"/> Bi-weekly payment processing services	<input type="checkbox"/> Other – money services
<input type="checkbox"/> Reverse mortgage brokering	<input type="checkbox"/> Private student loan lending	<input type="checkbox"/> Other - debt	
<input type="checkbox"/> Reverse mortgage lending	<input type="checkbox"/> Private student loan servicing		
<input type="checkbox"/> Reverse mortgage servicing	<input type="checkbox"/> Non-private student loan lending		
<input type="checkbox"/> Credit insurance services	<input type="checkbox"/> Non-private student loan servicing		
<input type="checkbox"/> Third party mortgage loan processing	<input type="checkbox"/> Rent-to-own		
<input type="checkbox"/> Third party mortgage loan underwriting	<input type="checkbox"/> Accounting/Billing servicing		
<input type="checkbox"/> Manufactured housing financing	<input type="checkbox"/> Industrial loan lending companies		
<input type="checkbox"/> Lead generation	<input type="checkbox"/> Pawn brokering		
<input type="checkbox"/> Commercial mortgage brokering or lending	<input type="checkbox"/> Property tax lending		
<input type="checkbox"/> Mortgage loan modifications	<input type="checkbox"/> Non-depository ATM operation		
<input type="checkbox"/> Other - mortgage	<input type="checkbox"/> Prepaid funeral plan providers		
	<input type="checkbox"/> Other – consumer finance		

2. Identifying Information

Branch address, mailing address, if different, and branch office's telephone numbers:

(A) Main address (Do not use a PO Box):

Number & Street _____ City _____ State _____ Country/Province _____ Postal Code _____

(B) Mailing address: ☐ Same as above

 PO Box or Number & Street City State Country/Province Postal Code

(C) Business phone, fax and email address:

() - ext () -
Business Phone Fax Line Email Address

3. Other Trade Names		
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All Other Trade Name used at this branch location (i.e. trade name, fictitious name, or "doing business as") must be identified below. Use additional sheets as necessary.

NOTE: Review state licensing requirements for rules and restrictions regarding other trade names. All other trade names identified below must also be added to your company record (NMLS Company Form).

Other Trade Names or "dba" used at this branch	State(s) where the Other Trade Name is used	Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services
--	---	--

Other Trade Names or "dba" used at this branch	State(s) where the Other Trade Name is used	Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services
--	---	--

Other Trade Names or "dba" used at this branch	State(s) where the Other Trade Name is used	Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services
--	---	--

Other Trade Names or "dba" used at this branch	State(s) where the Other Trade Name is used	Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services
--	---	--

Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
--	--	---	--	--	--

Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
--	--	---	--	--	--

Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
--	--	---	--	--	--

Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
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Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
--	--	---	--	--	--

Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
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Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
--	--	---	--	--	--

Other Trade Names or "dba" used at this branch		State(s) where the Other Trade Name is used		Identify applicable industry: <input type="checkbox"/> Mortgage; <input type="checkbox"/> Debt; <input type="checkbox"/> Consumer Finance; <input type="checkbox"/> Money Services	
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4. Branch Manager

A Branch Manager is required for each Branch Location. The Branch Manager will be required to complete the NMLS Individual Form. (Use additional sheets as necessary).

Name _____ NMLS ID No. _____

Name _____ NMLS ID No. _____

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

☐ Debt -- _____

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

☐ Debt -- _____

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

☐ Debt -- _____
State(s) where the Branch Manager is designated

☐ Consumer -- _____

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

☐ Debt -- _____
State(s) where the Branch Manager is designated

☐ Consumer -- _____

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

☐ Debt -- _____
State(s) where the Branch Manager is designated

☐ Consumer -- _____
Finance State(s) where the Branch Manager is designated

☐ Money -- _____

Identify applicable industry and list the State(s) where the Branch Manager is designated for the industry selected:

☐ Mortgage -- _____
State(s) where the Branch Manager is designated

☐ Debt -- _____
State(s) where the Branch Manager is designated

☐ Consumer -- _____
Finance State(s) where the Branch Manager is designated

☐ Money -- _____

5. Web Address				
Provide the full web address(es) for the branch and any separate websites for other trade names identified in question 3 (if one exists).				
(A) Website Address: _____ Is your company accepting applications or transacting business through this website? <input type="checkbox"/> YES <input type="checkbox"/> NO				
(B) Website Address: _____ Is your company accepting applications or transacting business through this website? <input type="checkbox"/> YES <input type="checkbox"/> NO				
(C) Website Address: _____ Is your company accepting applications or transacting business through this website? <input type="checkbox"/> YES <input type="checkbox"/> NO				
6. Books and Records Information				
Provide the information requested below for the records custodian maintaining records for this branch. Provide the name of the individual who should be contacted with inquiries or to gain access to the storage location. If multiple custodians maintain records for this branch, use the Comments field to indicate the types of records this custodian maintains. Use additional sheets if necessary.				
<div style="display: flex; justify-content: space-between;"> <div>Company _____</div> <div>First Name _____</div> <div>Last Name _____</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>Business Address (Do not provide PO Box)</div> <div>City _____</div> <div>State _____</div> <div>Country/Province _____</div> <div>Postal Code _____</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>() - ext _____</div> <div>() - _____</div> <div>Email Address _____</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>Business Phone _____</div> <div>Fax Line _____</div> <div></div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>Identify applicable industry:</div> <div><input type="checkbox"/> Mortgage</div> <div><input type="checkbox"/> Debt</div> <div><input type="checkbox"/> Consumer Finance</div> <div><input type="checkbox"/> Money Services</div> </div> <div style="margin-top: 10px;">Identify the state(s) for which every listed record custodian maintains records for the company: _____</div> <div style="margin-top: 10px;">Comments: _____</div>				
7. Operation Information				
(a).	Will this branch office and/or individuals at this branch office operate pursuant to a written agreement or contract with the main office?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	
(b).	Will this branch office have sole responsibility for decisions relating to individuals participating in financial-related services with respect to employment?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	
(c).	Will this branch office have sole responsibility for decisions relating to individuals participating in financial-related services with respect to compensation?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	
(d).	Other than the entity, does anyone have responsibility for the expenses or have a financial ownership/liability interest in the activities of this branch? If answered yes, complete the following section for each person responsible for the expenses or with a financial ownership/liability interest.	YES <input type="checkbox"/>	NO <input type="checkbox"/>	
8. Expense Information				
Provide the following contact information about the party responsible for expenses or with a financial ownership/liability interest. Indicate whether or not the party maintains a financial services related license. In the Explanation provide the relevant details to the party's responsibility on expenses or financial ownership/liability interest. If no party other than the company is responsible for expenses of this branch, leave blank.				
FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)		Business Address, City, State, Country/Province, Postal Code	Business Phone Number	Separately Licensed? YES NO
				Explanation

			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	

EXECUTION: I, <<NAME>>, <<TITLE/POSITION>>, am employed by or am an officer or a control person of <<COMPANY>> (Applicant). Applicant agrees to and represents the following:

- (1) That the information and statements contained herein, including exhibits attached hereto, and other information filed herewith, all of which are made a part of this application, are current, true and complete and are made under the penalty of perjury, or un-sworn falsification to authorities, or similar provisions as provided by law;
- (2) To the extent any information previously submitted is not amended, such information remains accurate and complete;
- (3) To the extent any information submitted is part of an advance change notice with a delayed effective date, such information is accurate and complete as of this submission;
- (4) That the jurisdiction(s) to which an application is being submitted may conduct any investigation into the background of the Applicant, and any related individuals or entities, in accordance with all laws and regulations for purposes of making a determination on the application;
- (5) To keep the information contained in this form current and to file accurate supplementary information on a timely basis; and
- (6) To comply with the provisions of law, including the maintenance of accurate books and records, pertaining to the conduct of business for which the Applicant is applying.

If the Applicant has knowingly made a false statement of a material fact in this application or in any documentation provided to support the foregoing application, then the foregoing application may be denied.

☐ On this << MM/DD/YYYY >>, I verify that I am the named person above and that I am authorized to attest to and submit this filing on behalf of the Applicant. I solemnly swear (or affirm) under the penalty of perjury or un-sworn falsification to authorities, or similar provisions as provided by law that I have reviewed the foregoing responses, have made diligent inquiry as to their accuracy, and they are true and correct to the best of my knowledge, information and belief.

EXHIBIT 4-E-SURETY BOND FORM

ESB Form Version 1 Effective 01/01/2018, NMLS Version: CA-DBO-01/01/2018.

This document is for reference ONLY. This bond form has been rendered electronically in NMLS for official use.

SURETY BOND

STUDENT LOAN SERVICING ACT LICENSEE BOND
(California Financial Code Section 28100, et seq.)

Bond No. **[Bond Number]**
Bond Amount: **[Bond Amount]**
Effective Date: **[Bond Effective Date]**

KNOW ALL PERSONS BY THESE PRESENTS:

That we, **[Licensee/Principal Name]** including any and all trade names, NMLS # **[Licensee/Principal NMLS ID]**, as Principal, and **[Surety Name]**, NAIC # **[Surety NAIC]**, duly licensed to do surety business in the State of California as Surety (Principal and Surety together are hereinafter collectively referred to as "Obligors"), are held and firmly bound unto the Commissioner of Business Oversight of the State of California ("Commissioner") for use by the Commissioner, for its own benefit, and for the benefit of any person or persons who may have a cause of action against us as the Obligors of this instrument under the provisions of the Student Loan Servicing Act, California Financial Code Section 28100, et seq.) ("Student Loan Servicing Act"), hereafter described in the penal sum of **[Bond Amount]**, lawful money of the United States of America, to be paid to the Commissioner for which payment well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents:

Whereas, the above bound Principal has applied to the Commissioner for a license to engage in the business of student loan servicing, as provided by law under the Student Loan Servicing Act.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal and any employee or agent representing the Principal, working at any location, faithfully conform to and abide by each and every provision of the Student Loan Servicing Act, and all amendments thereto, and of all rules and regulations and orders lawfully made by the Commissioner, and pay to the Commissioner, and to any such person or persons having a right of action against the Obligors any and all monies that may become due or owing to the Commissioner, and to such person or persons from said Obligors under and by virtue of the provisions of the Student Loan Servicing Act, then this obligation to be void; otherwise to remain in full force and effect until the Surety is released from liability by the Commissioner, subject, however, to the following conditions:

1. The Surety may reduce coverage by amending the effective date or the bond amount, or may cancel this bond sixty days from date of receipt of notice delivered electronically through NMLS to the Principal and the Commissioner, but no such amendment or cancellation shall affect any liability which arises from acts or omissions which occur prior to the termination of such sixty-day period.

2. In no event shall the aggregate liability of the Surety for any and all claims exceed the penal sum of this Bond stated herein.

3. The Commissioner has the exclusive right to proceed on this bond against the Principal or Surety hereon or both to recover any and all moneys that may become due or owing.

In Witness Whereof, The said Principal has hereto set his hand and seal and the said Surety has caused this obligation to be duly executed by its duly authorized agent to be hereunto affixed on this **[Day of Signatory Date]** day of **[Month of Signatory Date]**, **[Signatory Year]**.

By: **[Principal Signee]**
Principal

By: **[Surety Signee]**
Surety