

APPLICATION FOR REGISTRATION AS A CREDIT SERVICES LOAN BROKER PART 1

The Pennsylvania Department of Banking and Securities (The Department) welcomes your request for this Loan Broker Registration application.

This portion of the application provides general information that will be of value to you when you complete the written portion of the application.

The Department issues loan broker registrations under the provisions of the Credit Services Act, which sets forth requirements both to become and to remain registered. The Department is responsible for registration provision of the Credit Services Act.

It is imperative that you become familiar with the Credit Services Act and the Regulations issued thereto. You may wish to consult with an attorney. The legal citation for the Credit Services Act is 73 P.S. §2181 et seq. Regulations are found in Title 10, Pennsylvania Code, Chapter 42.

Registration Required

A loan broker registration is required by any person or entity who (1) for or in expectation of a consideration fee arranges or attempts to arrange or offers to fund a loan of money, a credit card or line of credit for personal, family or household purposes; (2) for or in expectation of a consideration fee assists or advises a borrower in obtaining or attempting to obtain a loan of money, a credit card, a line of credit or related guarantee, enhancement or collateral of any kind or nature; (3) acts for or on behalf of a loan broker for the purpose of soliciting borrowers; or, (4) holds himself out as a loan broker.

Employees of a registered loan broker are exempt from obtaining separate licenses. The Department of Banking and Securities does not consider this exemption to apply to individuals whom you pay as non-employees. Non-employees include persons whose income you properly report on IRS Form 1099 or individuals who you properly treat as non-employees for any other government reporting purpose. Non-employees must obtain their own loan broker registration.

A person who acts or holds himself out as a loan broker and is not registered with The Department in accordance with this Act and its Regulations shall be in violation of the Act of December 17, 1968 (P.L. 1224, No. 387) as amended, known as the Unfair Trade Practices and Consumer Protection Law (73 P.S. §§ 201-1 et seq.)

Restrictions

No loan broker may (1) assess or collect an advance fee from a borrower to provide services as a loan broker; (2) make or use any false or misleading representations or omit any material fact in the offer or sale of the services of a loan broker or engage directly or indirectly in any act that operates or would operate as fraud or deception upon any person in connection with the offer or sale of services of a loan broker, notwithstanding the absence of reliance by the buyer; or,

(3) make or use any false or deceptive representation in its business dealings with a State agency or conceal a material fact from a State agency. **Note:** Each principal of a loan broker may be held responsible for the actions of a loan broker, including its agents or employees in the course of business of the loan broker.

Annual registration fees; renewals

A registration fee of \$300 must accompany the application for registration. Checks or money orders should be made payable to the Pennsylvania Department of Banking and Securities. By regulation, there can be no abatements granted on registration fees for registrations issued after the start of the February 1 registration year. If a registration is surrendered, revoked, or suspended prior to its expiration date, the registration fee cannot be refunded in whole or in part.

An annual registration fee of \$300 must accompany renewal applications. The renewal registration shall be effective from February 1 or upon The Department's issuance of written notification to the applicant that the applicant has been registered by the Department as a loan broker, whichever is later, through January 31 of the following year.

Other provisions that apply; other laws that may apply

The preceding discussion does not represent a complete analysis of the Credit Services Act. *You are advised to read and review the Mortgage Licensing Act in order to become familiar with all provisions.*

Information about corporate and business registration can be obtained by contacting the Corporation Bureau of the Pennsylvania Department of State, 3rd Floor, North Office Building, Harrisburg, Pennsylvania 17120-0029. The telephone number is (717) 787-1057, TT/Voice 1-800-679-5070 or visits their website at www.dos.pa.gov. An attorney should be able to advise you about federal laws that apply to loan brokers.

How and Where to file

Please complete Part 2 of this application. Make a copy for your records. Mail the original and any required attachments, along with a check or money order in the proper amount, to the following address:

**Pennsylvania Department of Banking and Securities
Non-Depository Licensing Office
17 N 2nd St, Ste 1300
Harrisburg, Pennsylvania 17101-2290**

Keep Part 1 for your records, as well as the copy of the Credit Services Act.

Your application will be reviewed by the Department within 60 days.

If you have any questions, please call the Non-Depository Licensing Office weekdays from 8:30 a.m. to 5:00 p.m. at (717) 787-3717, TT/Voice 1-800-679-5070 or visit our web site at www.dobs@pa.gov.

We look forward to processing your application.

Loan Broker Registration Application Part 2

For Official Use Only
License #

1. Please indicate name of business and how it is structured.

Name of corporation: _____

D/B/A [if applicable]: _____

Federal ID Number: _____

Attach Articles of Incorporation, if a foreign corporation, Foreign Registration Statement to do business in Pennsylvania and, if applicable, a copy of the fictitious name registration.

IF BUSINESS IS NOT A CORPORATION

How is business organized? _____

Name of entity: _____

D/B/A [if applicable]: _____

Federal ID Number: _____

Attach a copy of the Operating Agreement, By-Laws, etc., evidence of registry with the Pennsylvania Department of State, if required [if not required, state reason below] and, if applicable, a copy of the fictitious name registration. Please provide legal opinion if claiming exemption

2. List complete address where loan broker business will be conducted. Attach additional sheets if there are additional locations where loan broker business will be conducted

OFFICIAL LOCATIONS (\$300 REGISTRATION FEE MUST ACCOMPANY APPLICATION):

_____ (_____) _____
Street Address and Suite or Room Number Office Telephone

_____ (_____) _____
City State Zip Fax Number

_____ _____
County Office Manager

Mailing address if Different (If not Different, indicate N/A)

If any of the following is not applicable, please indicate N/A

Company email address: _____

Company web address: _____

(Web address must be registered with the Pennsylvania Department of State if it is significantly different from the company name or not prominently displayed on the opening page.)

List all types of business offered on your website: _____

Attach additional sheets if necessary

Explain how loan broker business will be conducted via the internet: _____

Attach additional sheets if necessary

3. Identify all officers, directors, partners, owners, and ALL designated office managers of credit services loan broker business.

A. If business is a corporation:

List full name, corporate title, date of birth, social security number, residence address, residence telephone number, cell phone number and email address of each officer, director, and office manager of the proposed licensed corporation. **Attach additional sheets if necessary.**

If business is not a corporation:

List full name, official title in the business, date of birth, social security number, residence address, residence telephone number, cell phone number and email address of each owner, partner, and member and office manager of the proposed licensed business. **Attach additional sheets if necessary.**

Full Name: _____ Title: _____

Social Security Number: _____ Date of Birth: _____

Home Address: _____

Home Phone Number: (_____) _____ Cell Phone Number: (_____) _____

Email address: _____

Full Name: _____ Title: _____

Social Security Number: _____ Date of Birth: _____

Home Address: _____

Home Phone Number: (_____) _____ Cell Phone Number: (_____) _____

Email address: _____

Full Name: _____ Title: _____

Social Security Number: _____ Date of Birth: _____

Home Address: _____

Home Phone Number: (_____) _____ Cell Phone Number: (_____) _____

Email address: _____

Attach additional sheets if necessary

4. Please complete all of the following information in order to identify the person the Department should contact to address registration matters and compliance issues.

Contact Person: _____
Name & Title

Street Address _____ Suite/Room/Floor _____

City _____ State _____ Zip _____

Office Phone Number: (____) _____ Office Fax Number: (____) _____

Email address: _____

5. Identify names and addresses of all agents and employees of the loan broker who act or will act as a loan broker on behalf of the loan broker and indicate whether each agent or employee identified is a W-2 employee or 1099 agent. Attach additional sheets if necessary.

Full Name: _____ W-2 or 1099? _____

Social Security Number: _____ Date of Birth: _____

Home Address: _____

Home Phone Number: (____) _____ Cell Phone Number: (____) _____

Full Name: _____ W-2 or 1099? _____

Social Security Number: _____ Date of Birth: _____

Home Address: _____

Home Phone Number: (____) _____ Cell Phone Number: (____) _____

6. Indicate business (es) other than the loan broker business that will be conducted from the premises of the loan broker business.

Are there any additional businesses, not regulated under the Credit Services Act that will be operating from the location of the proposed loan broker business?

_____ YES _____ NO

If Yes, please indicate the name of the business(es), a brief description of the service(s) or product(s) offered, and whether there is or will be any relationship, other than the same location, between the credit services loan broker business and other business(s). Attach additional sheets if necessary.

Name of business	Description	Describe relationship between businesses

7. List the types of loan broker services offered to consumers by the loan broker. Attach additional sheets if necessary

1. _____
2. _____
3. _____
4. _____

8. List types of other services offered to consumers by the loan broker. Attach additional sheets if necessary.

1. _____
2. _____
3. _____
4. _____

9. List the name, address and telephone number of all loan brokers or lenders on whose behalf the applicant acts or will act. Attach additional sheets if necessary

1. _____
2. _____
3. _____
4. _____

10. List the name, address and telephone number of the lender(s) who fund the loans of the loan broker and, if applicable, show types of credit provided (credit cards, unsecured loans, etc.). Attach additional sheets if necessary .

1. _____

2. _____

11. Has any director, officer, office manager or owner etc. identified on this application ever been arrested for, charged with, convicted of, pled guilty to, or pled nolo contendere (no contest) or given a diversionary sentence in lieu of conviction to any criminal offense in this Commonwealth or anywhere else (including court martial or disciplinary proceedings under the Uniform Code of Military Justice)?

If yes, please provide a detailed explanation of the circumstances:

Attach additional sheets if necessary

12. Has any director, officer, owner, manager, employee etc., identified in this application ever been connected directly or indirectly with any loan business, discount business or finance business in Pennsylvania or elsewhere in the capacity of individual owner, partner, member, officer, , director, employee, agent, broker, investor, shareholder, or otherwise?

_____ YES _____ NO

If yes, please provide complete details:

Attach additional sheets if necessary

13. Has any director, officer, owner, manager, employee, etc., identified in this application ever been connected directly or indirectly with any credit services loan broker business in Pennsylvania or elsewhere in the capacity of individual owner, partner, member, officer, director, employee, agent, broker, investor, shareholder or otherwise ?

_____ YES _____ NO

If yes, please provide complete details:

Attach additional sheets if necessary

15. Has any officer of the corporation, partner, owner ever been directly or indirectly, connected with any organization in Pennsylvania or elsewhere which had any application for license refused by any federal, state or municipal authority, or which withdrew such application to avoid refusal, or withdrew such application by request (exclusive of withdrawal or refusal because of a restricted competition policy), or which had its license or registration suspended, canceled or revoked by such an authority?

_____ YES

_____ NO

If yes, please provide a detailed explanation of the circumstances:

Attach additional sheets if necessary

16. Has any officer of the corporation, partner, owner ever been or has any organization with which they were associated as an officer, partner, owner, employee or otherwise, ever been involved in any voluntary or involuntary bankruptcy, receivership or insolvency?

_____ YES

_____ NO

If yes, please provide a detailed explanation of the circumstances:

Attach additional sheets if necessary

17. Please answer the following questions by placing an “X” on the appropriate response line.

- | | YES | NO | |
|-----------|------------|-----------|---|
| <i>a.</i> | _____ | _____ | Have you reviewed the Credit Services Act and the Regulations? (Regardless of whether you review the Credit Services Act and the Regulations, please be aware that as a registered loan broker, you shall be bound by all provisions of the Credit Services Act and the Regulations applicable to a registered loan broker.)? |
| <i>b.</i> | _____ | _____ | Do you understand that the Credit Services Act and the Regulations describes requirements related to conducting a loan broker business? |
| <i>c.</i> | _____ | _____ | If you become registered, will you convey the requirements of the Credit Services Act and the Regulations to any person(s) who engage(s) in the loan brokering business as your employee? |
| <i>d.</i> | _____ | _____ | Do you understand that the Pennsylvania Department of Banking and Securities requires that persons whose income you report on an IRS Form 1099 or individuals that you treat as non-employees for any other governmental reporting purpose must obtain their own loan broker registration? |
| <i>e.</i> | _____ | _____ | Do you understand that as a registered loan broker the office manager must either be a full-time, W-2 employee or officer/owner of the company and must staff the registered business location during normal business hours? |
| <i>f.</i> | _____ | _____ | Do you understand that a loan broker’s registration expires each year on January 31? |
| <i>g.</i> | _____ | _____ | Do you understand that the Department of Banking and Securities has the authority to issue rules, regulations, and orders as may be necessary to insure proper registration of a loan broker? |
| <i>h.</i> | _____ | _____ | Do you understand that the Department may refuse to register or renew the registration of a loan broker applicant? |
| <i>i.</i> | _____ | _____ | Do you have any questions about the Credit Services Act or the registration process?
[If yes, attach separate sheet with the question(s).] |

18. Designate Pennsylvania Agent for Service of Process (for foreign entities only).

The applicant corporation, in pursuance of action taken at a regular meeting of the Board of Directors of said corporation does hereby appoint:

FULL NAME: _____

PHYSICAL ADDRESS: _____

Telephone Number: (_____) _____

POST OFFICE:

its true and lawful attorney and authorized agent upon whom all lawful process in any proceeding against it may be served and agrees that service of process on its attorney or agent herein named shall be of the same legal force and validity as if served upon it, the said corporation, and the authority for such service of process shall continue in force as long as any liability remains outstanding against it in the Commonwealth of Pennsylvania.

In the case of death, removal from the Commonwealth of Pennsylvania, or any legal disability or disqualification of its attorney or agent herein named, the said corporation does hereby appoint the Secretary of Banking and Securities of the Commonwealth of Pennsylvania, and successor in office, to be its true and lawful attorney and authorized agent upon whom all lawful process in any proceeding against it may be served and agrees that service of process on the Secretary of Banking and Securities shall be of the same legal force and validity as if served upon it, the said corporation, and the authority for such service of process shall continue in force as long as any liability remains outstanding against it in the Commonwealth of Pennsylvania.

Authorization/Affirmation

I understand by submitting this **Credit Services Loan Broker Application**

I am agreeing to be bound by the following declaration: **"I declare that all of my answers on this *Credit Services Loan Broker Application* are complete, true and correct. I make this declaration subject to the penalties of 18 PA.C.S. § 4904 relating to unsworn falsification to authorities."**

(Please Print):

Owner/Officer/Partner Name & Title

Signatures Required:

Owner/Officer/Partner Signature

19. Please review before mailing this application.

Have you...

- Answered all questions or indicated N/A?
- Checked answers for accuracy?
- Signed the application?
- Had your signature(s) notarized?
- Attached a copy of the Articles of Incorporation, Operating Agreement and if a foreign corporation, a Foreign Registration Statement to do Business, and, if applicable, a copy of the Approved Fictitious Name Registration?
- Made and retained a copy of the entire application for your records?
- Enclosed a check for the appropriate amount?

20. Please mail completed application and all required documentation to:

**PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES
NON-DEPOSITORY LICENSING OFFICE
17 N 2ND ST, STE 1300
HARRISBURG, PA 17101-2290**