

APPLICATION FOR LICENSURE AS AN INSTALLMENT SELLER

PART 1

The Pennsylvania Department of Banking and Securities (the Department) welcomes your request for this Installment Seller application. It is the Department's position that installment sellers provide a needed and valuable service to consumers.

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 installment seller licenses under the provisions of the Consumer Credit Code related to Motor Vehicle Sales Finance (Code), which sets forth requirements both to become and to remain licensed. The Department is responsible for enforcing the Consumer Credit Code related to Motor Vehicle Sales Finance.

It is imperative that you become familiar with the Consumer Credit Code related to Motor Vehicle Sales Finance, formerly the Motor Vehicle Sales Finance Act. You may wish to consult with an attorney. The legal citation for the Consumer Credit Code is 12 Pa. C.S. § 6101 et. seq.

License Required

An installment seller license is required by any person or company who engages in the business of selling, hiring, or leasing motor vehicles under installment sale contracts or any legal successor in interest to such person. This includes any person or company who utilizes a "buy here/pay here" operation

Under Section 6211(c) of the Code, a license cannot be transferred or assigned.

An installment seller licensee may operate more than one (1) place of business under one (1) license certificate provided the following:

- the additional places of business operate under the same name appearing on the license certificate
- the official address on the license certificate is the address shown on all installment sale contracts originated at the additional locations
- the records of all business of the installment seller licensee are maintained at the official address

Criminal Record Check

The Department of Banking and Securities regulates the financial service industry in Pennsylvania. The Department of Banking and Securities is requiring all new applicants for a license to obtain a criminal record check when applying for licensure.

Records Required

An installment seller is required to maintain records of the business of selling, hiring, or leasing motor vehicles under installment sale contracts at the place of business listed on the license certificate issued by the Department. The address of the place of business on the license certificate is the official address of the licensee and is required to be shown on every installment sale contract originated by the installment seller.

Examinations and Investigations

Examinations and special investigations are conducted as needed and often result from consumer complaints. Examinations and investigations are discussed in §6203 of the Code.

Penalties; License suspension, revocation, or refusal to renew

The Department may assess fines of \$2,000 or more per offense if a licensee violates any provision of the Code. The Department also has the authority to suspend, revoke, or refuse to renew a licensee for violation of any provision of the Consumer Credit Code, formerly the Motor Vehicle Sales Finance Act or any material misstatement made in the application(s) filed with the Department

Annual license fees; renewals

A licensing fee of **\$250** for the official place of business must accompany the application for licensure. Checks or money orders should be made payable to the Pennsylvania Department of Banking and Securities. By law, there can be no abatements granted on licensing fees for licenses issued after the start of the October 1 licensing year. If a license is surrendered, revoked, or suspended prior to its expiration date, the license fee cannot be refunded in whole or in part.

Licenses must be renewed yearly by October 1. An annual renewal fee of **\$250** must accompany the renewal application for each official place of business. The annual renewal fee of **\$250** will be due on or before September 15.

Other provisions that apply; other laws that may apply

The preceding discussion does not represent a complete analysis of the Consumer Credit Code, formerly the Motor Vehicle Sales Finance Act. Rather, the areas discussed are based on the issues, which surface most frequently. ***You are advised to read and review the Consumer Credit Code, formerly the Motor Vehicle Sales Finance 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 or visit their website at www.dos.pa.gov. An attorney should be able to advise you about federal laws that may apply to installment sales.

How and Where to file

Please complete Part 2 of this application, pages 5 through 12, and 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 pages 1 through 3 for your records, as well as a copy of the Consumer Credit Code, formerly the Motor Vehicle Sales Finance Act.

If you have any questions, please call the Non-Depository Licensing Division 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.

INSTALLMENT SELLER 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: _____

Dealer Identification Number [DIN]: _____

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: _____

Dealer Identification Number [DIN]: _____

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 (es) where installment sale contract business will be conducted. As provided for in the Act, multiple locations may be operated under one license only if they are located in the same municipality as the official address, and provided that the official address and entity name are the address and entity name shown on installment sale contracts at such locations and the records of all business of the seller are maintained at the official address. If there are additional locations as prescribed above, please attach an additional sheet(s) indicating the address of such sites.

OFFICIAL LOCATIONS (\$250 LICENSING FEE MUST ACCOMPANY APPLICATION):

Street Address and Suite or Room Number	() Office Telephone
City	() Fax Number
State	
Zip	
County	Office Manager <i>(Did you complete all criminal history requests?)</i>

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 installment seller business will be conducted via the internet: _____

Attach additional sheets if necessary

3. Information about officers, directors, owners, and all designated office managers of entity.

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

5. 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)?

No: _____ Yes: _____

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

Attach additional sheets if necessary

6. The Department of Banking and Securities requires all applicants to provide both National Criminal History Record Information (fingerprint cards) and Pennsylvania Criminal Record Checks for each SOLE PROPRIETOR, OFFICE MANAGER, PARTNER AND ALL CORPORATE OFFICERS. Instructions for completing all required criminal history checks can be found at the end of the application.

7. Has any director, officer, owner, etc., identified in this application, manager, employee or agent of the applicant been a party to a financial service business whose application, license, or authorization has been refused, denied, suspended, or revoked in Pennsylvania **or any other state**?

No: _____ Yes: _____

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

Attach additional sheets if necessary

8. Has the applicant as shown in question number one entered into any installment sale contracts prior to applying for an installment seller license?

No: _____ Yes: _____

If yes, please attach certified copies of all installment sales contracts

9. Please answer the following questions by placing an X on the appropriate response line.

- | | YES | NO | |
|----|--------------------------|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that the Consumer Credit Code related to Motor Vehicle Sales Finance describes requirements related to conducting business? |
| b. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that a licensee may be assessed a fine of \$2,000 or more for violating any provision of the Consumer Credit Code related to Motor Vehicle Sales Finance? |
| c. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that a licensee may also be assessed a fine of \$2,000 or more for directing or consenting to a violation of the Consumer Credit Code related to Motor Vehicle Sales Finance? |
| d. | <input type="checkbox"/> | <input type="checkbox"/> | If you become licensed, will you convey the requirements of the Consumer Credit Code related to Motor Vehicle Sales Finance to any person(s) who engage in installment seller business as your employee? |
| e. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that an Installment Seller licensee must display its license conspicuously at the licensed place of business? |
| f. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that an Installment Seller license may not be transferred or assigned? |
| g. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that an Installment Seller licensee cannot conduct installment seller business under the same license at offices located outside of the municipality of the official address on the license certificate? |
| h. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that as an Installment Seller licensee you may conduct installment sale financing only with licensed sales finance companies and may assign delinquent accounts only to licensed collector-repossessors? |
| i. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that if you assign installment sale contracts to an unlicensed sales finance company or an unlicensed collector-repossessor you may be subject to the penalty provisions of the Consumer Credit Code related to Motor Vehicle Sales Finance including fines and/or imprisonment? |
| j. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that an Installment Seller license expires each year on October 1, and must be renewed on or prior to September 15? |
| k. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that original or duplicates of all records that pertain to your installment seller business must be maintained at your official place of business as listed on the license certificate or at any office maintained by the licensee subject to the approval of the Secretary of Banking and Securities? |
| l. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that an Installment Seller licensee is subject to examination/investigation by the Department of Banking and Securities at any time during regular business hours without prior notice, if the Department deems such an examination/investigation necessary or desirable? |
| m. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that during an examination/investigation by the Department, the Department must be given unimpeded access to the licensee's place(s) of business and to all instruments, documents, accounts, books, and records which pertain to the licensee's installment seller business? |
| n. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that the Department of Banking and Securities has the authority to make examinations/investigations as deemed necessary to administer the provisions of the Consumer Credit Code related to Motor Vehicle Sales Finance? |
| o. | <input type="checkbox"/> | <input type="checkbox"/> | Do you understand that an examination/investigation can be initiated to resolve a consumer complaint? |



pennsylvania
DEPARTMENT OF BANKING
AND SECURITIES

YES NO

- p. Do you understand that an Installment Seller licensee may not conduct installment seller business under any name other than that designated on its license?
- q. Do you understand that you are committing a violation of the Consumer Credit Code related to Motor Vehicle Sales Finance and may be assessed a fine of \$2,000 to \$5,000 per offense if you conduct installment seller business prior to licensure?
- r. Do you understand that the Department may suspend, revoke, or refuse to renew any Installment Seller license if the licensee has 1) made any material misstatement in the application or 2) failed to comply with or violated any provision of the Consumer Credit Code related to Motor Vehicle Sales Finance t or any rule, regulation, or order promulgated by the Department?
- s. Do you understand that when you cease conducting or soliciting financing of motor vehicles you are required to return the license immediately to the Department for cancellation and to provide a written explanation of the disposition of the business?
- t. Do you have any questions about the Motor Vehicle Sales Finance Act or the licensing process?
[if yes, please attach a separate sheet with all questions]

10. 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: _____

RESIDENCE 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 Security 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 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 **Installment Seller Application**:

I am agreeing to be bound by the following declaration: "**I declare that all of my answers on this *Installment Seller 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):

Name Owner/Officer/Partner Name & Title

Owner/Officer/Partner Name & Title

Signatures Required:

Owner/Officer/Partner Signature

11. Please review before mailing this application.

- ✓ Answered all questions or indicated N/A?
- ✓ Checked answers for accuracy?
- ✓ Authorized/Affirmed the application?
- ✓ Attached a copy of the Articles of Incorporation, Operating Agreement and/or Foreign Registration Statement?
- ✓ Attached a copy of the approved fictitious name registration if applicable?
- ✓ Completed all criminal record checks?
- ✓ Made and retained a copy of the entire application for your records?
- ✓ Enclosed a check for the appropriate amount?

12. Please mail completed original application
to:

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



The Pennsylvania Department of Banking and Securities (“the Department”) regulates the financial service industry in Pennsylvania and requires license applicant(s) to complete a Pennsylvania State Police criminal background history check and an FBI Fingerprint Check when applying for licensure.

Please review the following requirements and conditions for the Pennsylvania Check:

1. Each applicant or control person listed on the license application must complete an online criminal background history check using the Pennsylvania Access to Criminal History (PATCH) located at <https://epatch.state.pa.us>
2. **ALL CRIMINAL HISTORY REQUESTS MUST BE DATED WITHIN 30 DAYS OF SUBMISSION OF THE APPLICATION**
3. Cost of the online criminal background history check is \$8.00 for each request and is payable through PATCH by credit card.
4. Please select **Company Request** under Requestor Details
5. When completing the application, the “Personal Information” section of the PATCH application must contain identifying information for the Department to ensure the results of the criminal background history check are forwarded directly to this Department. **Results of the criminal background history check will not be accepted directly from the applicant and will only be accepted from PATCH.** Below is the information that **must** be entered in the **“Company Details”** section of the PATCH application:

Reason for Request: Employment

Company Name: PADOBS

Company Address Line 1: Market Square Plaza

Company Address Line 2: 17 N 2nd St Ste 1300

City: Harrisburg

State: PA

Zip: 17101

Phone Number: (717) 787-3717

Below is the information that **must** be entered in the **“Company Contact Details”** section of the PATCH application:

First Name: NonDepository

Last Name: Licensing

Email Address: ra-asklicensing@pa.gov

After completing the “Personal Information” section of the PATCH application, navigate to the “Record Check Request Form” section of the application and enter the information of the applicant or control person. Although not required by PATCH, **it is a requirement of the Department to provide your Social Security number in the “Record Check Request Form” section of the application.**

6. After making payment for the criminal background history check, you will be provided with a “Request Results” page which **must be** provided to the Department in order to verify the background history check was completed and to track the results of any “No Record” responses. **Print** the “Request Results” page and send it with the other state specific information. The “Request Results” page will contain your First and Last name as you typed them into the system, the date that you submitted the request and a control number.

In addition to the Pennsylvania State Police criminal background history check, all applicants are also subject to a search of the national criminal history database via an **FBI Fingerprint Check**.

Please review the following requirements and conditions for the FBI Fingerprint Check:

[ALL CRIMINAL HISTORY REQUESTS MUST BE DATED WITHIN 30 DAYS OF SUBMISSION OF THE APPLICATION](#)

Available to Pennsylvania residents and those working in close proximity to the Commonwealth of Pennsylvania:

- Use the Cogent live scan fingerprint system located at the following website: <https://www.pa.cogentid.com>
- Be sure to click on the link for the PA Department of Banking and Securities
- Follow the instructions on the website to schedule an appointment to obtain your live scan fingerprints at the nearest print site location.
- Results of the background checks are not mailed to applicants. If there is a problem with the results of your background check you will be notified.

For all other applicants residing or working in states other than the Commonwealth of Pennsylvania:

- Visit the Cogent website at <https://www.pa.cogentid.com>.
- Be sure to click on the link for the PA Department of Banking and Securities
- Follow instructions on the website on how to submit a fingerprint card to 3M Cogent.
- Results of the background checks are not mailed to applicants. If there is a problem with the results of your background check you will be notified.

Third Party Investigatory Background Checks: Each control person (including the qualifying individual) who does not or has not resided in the US for at least 5 years must provide an investigative background report. The report must be prepared by an acceptable search firm and submitted directly to the Department in addition to other background information required in the application. At a minimum, the report must contain the following:

- A comprehensive credit report/history
- Civil court and bankruptcy court records for the past 5 years, including a search of the court data in the country(ies), states, towns where the individual resided and worked and in contiguous areas
- Criminal records for the past 5 years, including felonies, misdemeanors and violations including a search of court data in the countries, states, towns where the individual resided and worked and in contiguous areas.

Results of the background checks are not mailed to applicants. If there is a problem with the results of your background check you will be notified.