



pennsylvania
DEPARTMENT OF BANKING

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December 18, 2008

RE: Office Location and Domestic Organization

Dear :

This is in response to your letter of November 3, 2008, addressed to the Commonwealth of Pennsylvania Department of Banking (the "Department"). In your letter, you explain that your client, , is a on-profit, non-stock corporation located in . Your client makes small, low-interest consumer loans through a network of non-profit social service organizations. In order to conduct this business in Pennsylvania your client is applying to be licensed as a consumer discount company under Pennsylvania's Consumer Discount Company Act (the "CDCA"), 7 P.S. §6201 et seq.

Principal Place of Business in Pennsylvania

In your letter, you reference Section 3 of the consumer discount company license application. Section 3 states, in part, "A location designated by the applicant as its Principal Place of Business must be located in Pennsylvania." You state that, given the Department's change of position regarding the applicability of the CDCA to out-of-state lenders such as your client that was announced by notice in the Pennsylvania Bulletin on July 26, 2008, you assume that the Department will not require lenders without a physical presence in Pennsylvania to establish a physical presence in Pennsylvania or identify a principal place of business in Pennsylvania.

Please be advised that it is the position of the Department that your client is not required to maintain a principal place of business or any other physical location in Pennsylvania in order to become licensed under the CDCA.

Domestic Organization

In your letter, you state that the consumer discount company license application requires a company to be "organized or domesticated under the Business Corporation Law" of



Pennsylvania. You note that the CDCA requires a license to be issued "only to a corporation organized under the Business Corporation Law" of Pennsylvania. 7 P.S. § 6207.

You state that your client "believes that it "domesticated" under the Business Corporation Law by registering with the Pennsylvania Department of state to do business as a foreign corporation..." You also state that your client "appointed a registered agent that is authorized to accept service of process in Pennsylvania on behalf of" your client.

Please be advised that it is the position of the Department that your client is not required to incorporate under Pennsylvania's Business Corporation Law in order to obtain a license under the CDCA *provided* that your client registers with the Pennsylvania Department of State as a foreign corporation and appoints a registered agent that is authorized to accept services of process in Pennsylvania.

I hope this is helpful.

The above information should not be considered a formal legal opinion of the Department of Banking. The information above is based on the facts as presented and may change given a change in the facts.

Sincerely,

James Keiser
Administrator, Non-Depository Institutions
Bureau of Compliance, Investigation
and Licensing