

THE CALIFORNIA CORPORATIONS COMMISSIONER HEREBY  
ADOPTS THE FOLLOWING NONSUBSTANTIVE CHANGES IN THE  
REGULATIONS UNDER THE  
CALIFORNIA DEFERRED DEPOSIT TRANSACTION LAW,  
CALIFORNIA RESIDENTIAL MORTGAGE LENDING ACT,  
CORPORATE SECURITIES LAW OF 1968,  
AND ESCROW LAW  
AS SET FORTH IN CHAPTER 3, TITLE 10,  
CALIFORNIA CODE OF REGULATIONS  
EFFECTIVE: DECEMBER 23, 2005

1. Amend Section 260.210 to read:

260.210. Agent Procedures for Broker-Dealers.

The procedures set forth in this section are applicable to broker-dealers licensed pursuant to subdivisions (a) and (b) of Section 25211 of the Code.

(a) Upon employment of an individual as an agent, a broker-dealer shall (1) obtain a properly executed application for registration, on the Uniform Application for Securities Industry Registration and Transfer Form (Revised 11/97) ("Form U-4"), (2) obtain for its records, evidence that such agent meets the qualification requirements of Section 260.217 of these rules, and (3) ascertain (by investigation) the character, business reputation and experience of any individual, prior to executing any transaction on behalf of the broker-dealer. Evidence of compliance with Section 260.217 and investigation of the agent, shall be maintained as a part of the records of the broker-dealer as required by Sections 260.241 and 260.241.1 of these rules.

(b) A broker-dealer who registers its agents with ~~the National Association of Securities Dealers Regulation, Inc.~~ NASD, Inc. (~~the "NASDR"~~), shall:

(1) Upon the employment of an individual as an agent, file the Form U-4, through the Central Registration Depository (the "CRD") of ~~the NASDR~~ in accordance with its procedures, and pay, for transmission to the Commissioner, the fees prescribed by Section 260.608.2(a) of these rules. The filing of Form U-4 with the CRD does not constitute an automatic "approval" through the CRD. Broker-dealers

should not consider an agent "registration" through the CRD approved until approved by the Commissioner and the approval has been received through the CRD. If requested by the Commissioner, additional information, documentation or details pertaining to the Form U-4 or properly executed fingerprint cards information of the agent must be filed directly with the Commissioner within 15 days from the date of the request. In accordance with Section 250.16, the Form U-4 may be abandoned if the Commissioner does not receive the requested information within the time prescribed. The Commissioner shall "reject" through the CRD an abandoned Form U-4.

(2) An agent registered through the CRD may comply with the requirements of this subsection through participation in the "Relicensing" program (the Relicensing program was formerly known as "Temporary Agent Transfer" or "TAT") adopted by the North American Securities Administrators Association ("NASAA"), provided that the agent is eligible and qualifies for registration through the Relicensing program and the broker-dealer has complied with all of the requirements of the Relicensing program with respect to the agent in a timely manner. Agent CRD registration through the Relicensing program shall not waive any rights of the Commissioner to proceed in any disciplinary proceeding or sanction provided for under the Code.

(3) File an amendment to the Form U-4 through the CRD within 30 days when there are any changes to the information contained in the original Form U-4. If the Form U-4 is being amended due to a disciplinary occurrence, a copy of the amendment shall be filed with the Commissioner upon request.

(4) Within 30 days after the termination of an individual as an agent, file the Uniform Termination Notice for Securities Industry Registration Form (Revised 11/97) ("Form U-5") through the CRD. The Form U-5 shall clearly state the reason(s) for termination. However, if an agent has been terminated for cause, the Form U-5 shall, upon request, be filed directly with the Commissioner.

A broker-dealer shall be responsible for the acts, practices, and conduct of an agent in connection with the purchase or sale of securities until such time as they have been properly terminated and the Form U-5 has been filed with the CRD of ~~the NASD~~.

(c) A broker-dealer who is not subject to the provisions of subsection (b) shall:

(1) Upon the employment of an individual as an agent, file the Form U-4 with the Commissioner.

The filing of Form U-4, with the Commissioner, does not constitute an automatic approval. Broker-dealers should not consider an agent registration approved until such approval has been received from this Department. If requested by the Commissioner, additional documentation or details pertaining to the Form U-4 must be filed directly ~~within~~ with the Commissioner within 15 days from the date of the request. In accordance with Section 250.16, the Form U-4 may be abandoned if the Commissioner does not receive the requested information within the time prescribed.

(2) File an amendment to the Form U-4 with the Commissioner within 30 days, when there are any changes to the information (including information relating to a disciplinary action) contained in the original Form U-4.

(3) Within 30 days after the termination of employment of an individual as an agent, file the Form U-5 with the Commissioner. The Form U-5 shall clearly state the reason(s) for termination. A broker-dealer shall be responsible for the acts, practices, and conduct of an agent in connection with the purchase or sale of securities until such time as they have been properly terminated and the Form U-5 has been filed with the Commissioner.

(4) If the fingerprints of an individual employed as an agent are not on file with the Commissioner, such broker-dealer shall file with the Form U-4 required under subsection (c)(1), a ~~Fingerprint Card (Form BID-7)~~ fingerprint information pursuant to California Penal Code Section 11077.1 for such individual. Information about whether an individual's fingerprints are on file with the Commissioner may be obtained from any office of the Commissioner.

Note: Authority cited: Section 25610, Corporations Code. Reference: Sections 25210, 25213, 25213.3 and 25217, Corporations Code; and Section 11077.1, Penal Code.

2. Amend Section 260.211 to read:

260.211. Application for Broker-Dealer Certificate.

(a) For any broker-dealer that participates in the Central Registration Depository (“CRD”), the application for a certificate as a broker-dealer shall be filed as follows:

(1) INITIAL APPLICATION: The application for a certificate as a broker-dealer pursuant to subsection (a) of Section 25211 of the Code and an amendment to such application pursuant to Section 260.241.4 shall be filed upon Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501) in accordance with the form instructions and by filing the form with CRD for transmission to the Commissioner.

(A) An applicant that files an application through CRD shall complete a Customer Authorization of Disclosure of Financial Records (Form QR 500.261 (1/00), hereby incorporated by reference) and maintain the form in the applicant's books and records as provided in Section 25241 of the Code. The applicant shall provide the form to the Commissioner upon request.

(B) Upon reviewing the application, the Commissioner may require the applicant to submit the following information:

1. A balance sheet as of a date within 45 days prior to the filing of the application, which need not be audited. If the balance sheet is not audited, the applicant shall file, in addition, an audited balance sheet as of the end of applicant's last fiscal year.

2. A calculation of the net capital and the ratio of net capital to aggregate indebtedness of the applicant, in accordance with Section 260.216.12 of these rules, as of the same date as the balance sheets submitted under paragraph (B)1. above.

3. Copies of all currently effective subordination agreements. If any are substantially similar, attach one copy of the most standard form(s) and a schedule(s) showing the name and address of each lender and the dollar value of the subordinated items on each agreement.

(C) The Commissioner may request additional information, documentation or detail pertaining to Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501) to be filed directly with the Commissioner.

(2) **FILING FEE:** The fee for filing an initial application is \$300 as prescribed in Section 25608(o) of the Code. The applicant shall remit the fee directly with CRD in accordance with its procedures for transmission to the Commissioner. Fees are not refundable except pursuant to Section 250.15 of these rules.

(3) **COMPLETION OF FILING:** For the purposes of Section 250.51, an application for a certificate as a broker-dealer is not deemed filed until the required fee and all required submissions are received by the Commissioner. The filing of Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501) with CRD does not constitute automatic approval. The broker-dealer shall not consider the application approved until approved by the Commissioner and the approval is received through CRD.

(b) For any broker-dealer that does NOT participate in the CRD, the application for a certificate as a broker-dealer shall be filed as follows:

(1) **INITIAL APPLICATION:** The application for a certificate as a broker-dealer pursuant to subsection (a) of Section 25211 of the Code and an amendment to such application pursuant to Section 260.241.4(a) of these rules shall be filed upon Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501) in accordance with the form instructions and by filing the form directly with the Commissioner at the Department of Corporations, 1515 K Street, Suite 200, Sacramento, CA 95814-4052. In addition to Form BD, the application shall include the additional documentation prescribed in subsections (b)(1)(A) through (b)(1)(D) of this rule.

(A) **Financial Statements:**

1. Attach a balance sheet as of a date within 45 days prior to the filing of the application, which need not be audited. If the balance sheet is not audited, the applicant shall file, in addition, an audited balance sheet as of the end of applicant's last fiscal year.-

2. Attach a calculation of the net capital and the ratio of net capital to aggregate indebtedness of the applicant, in accordance with Section 260.216.12 of these rules, as of the same date as the balance sheets submitted under paragraph (A)1. above. -

3. Attach copies of all currently effective subordination agreements. If any are substantially similar, attach one copy of the most standard form(s) and a schedule(s) showing the name and address of each lender, and the dollar value of the subordinated items on each agreement.

4. Furnish the date applicant's fiscal year ends.-

5. Furnish applicant's minimum net capital requirement.-

A broker-dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934 may file a copy of its most recent annual report of financial condition and its most recent quarterly financial report required under 17 CFR 240.17a-5 in lieu of paragraphs (A)1. and (A)2. above.

(B) Organizational Information and Other Exhibits.-

1. If applicant is a corporation, attach copies of articles, by-laws, amendments and certification.

2. If applicant is a partnership, attach partnership agreement and amendments.

3. If applicant is a limited liability company, attach copies of its articles of organization and amendments.

4. If applicant will conduct business under a fictitious name, attach a certified copy of the Fictitious Business Name Statement required by Business and Professions Code Section 17910.

5. Attach a completed Customer Authorization of Disclosure of Financial Records (Form QR 500.261 (1/00), hereby incorporated by reference).

(C) Exhibits Required by Applicants Not Registered Under The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) or Applicants Whose Agent Records are not on File with CRD.\_

1. Attach a statement demonstrating compliance with the examination requirements of Section 260.217 of these rules.

2. Attach fingerprint cards (~~California Department of Justice Form BID-7~~) and Fingerprint Information Sheets (~~Form ADM-557~~) information pursuant to California Penal Code Section 11077.1 for each person listed on Schedule A, B or C of Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501).

(D) The Commissioner may request additional information, documentation or detail pertaining to Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501) to be filed with the Commissioner.

(2) FILING FEE: The fee for filing an initial application is \$300 as prescribed in Section 25608(o) of the Code. Checks shall be made payable to the DEPARTMENT OF CORPORATIONS. Fees are not refundable except pursuant to Section 250.15 of these rules.

(3) COMPLETION OF FILING: For the purposes of Section 250.51 of these rules, an application for a certificate as a broker-dealer is not considered filed until the required fee and all required submissions are received by the Commissioner.

(c) AMENDMENTS TO FORM BD: Any amendments to Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501) shall be filed pursuant to Section 260.241.4 of these rules.

(d) ANNUAL ASSESSMENT: The annual assessment shall consist of the fee prescribed in Section 25608(o) of the Code. The minimum assessment of \$75 shall be filed through CRD in accordance with its procedures by the 31<sup>st</sup> of December for transmission to the Commissioner. This fee shall keep the certificate in effect for an additional period. Broker-dealers not filing through CRD shall pay the minimum assessment of \$75 directly to the Commissioner by the 31st of December.

(e) SUCCESSIONS: In the event that a broker-dealer succeeds to and continues the business of a broker-dealer holding a current certificate, both the predecessor broker-dealer and the successor broker-dealer shall follow Rule 15b1-3 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15b1-3) for the filing of Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501), an amendment to Form BD, or Form BDW (Uniform Request for Broker-Dealer Withdrawal, 17 C.F.R. §

249.501a), as applicable. Form BD shall be filed in the manner set forth in subsection (a) or (b) of this section, as applicable. An amendment to Form BD shall be filed in the manner set forth in subsection (c) of this section. Form BDW shall be filed in the manner set forth in Section 260.242 of these rules.

Note: Social Security Account Numbers: In accordance with Section 7 of the Privacy Act of 1974 (PL. 93-579), the following information is provided in connection with the disclosure of a social security account number in the Schedules to Form BD (Uniform Application for Broker-Dealer Registration, 17 C.F.R. § 249.501).

Disclosure of a social security account number shall be considered a voluntary disclosure, except as provided below. A social security account number is solicited pursuant to one or more of the following authorities:

Section 25211, Corporations Code.

Section 260.211, Title 10, California Code of Regulations.

Section 17520, Family Code.

Uses to be made of social security account numbers solicited by Form BD and the Schedules thereto are:

A. For all persons disclosing a social security account number, the 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. The social security number may also be used to respond to requests for this number made by child support agencies.

B. The completed form, except any disclosed social security account numbers, shall become a public record and available to members of the public pursuant to the provisions of the Public Records Act (Government Code Sections 6250 et seq.).



Note: Authority cited: Sections 25211 and 25610, Corporations Code. Reference: Section 1798.17, Civil Code; Sections 25210, 25211, 25216, 25217, 25241, 25608, 25612.5, and 25613, Corporations Code; ~~and~~ Section 17520, Family Code; and Section 11077.1, Penal Code.

3. Amend Section 1726 to read:

1726. Notification of Required Membership Fees to Escrow Agents' Fidelity Corporation and Personnel.

(a) The Commissioner shall be notified in writing by the Escrow Agents' Fidelity Corporation of the escrow agent's payment to the corporation of the required membership fees for those escrow agents subject to membership pursuant to subdivisions (a) and (c) of Section 17312 of the Financial Code and the escrow agent shall notify the Commissioner, on the form set forth in subdivision (b) furnished by the Commissioner, the names of any officer, director, trustee, employee or other person directly or indirectly compensated by the escrow agent before allowing the person in the regular discharge of his/her duties to have access to moneys or negotiable securities belonging to or in the possession of the escrow agent, or to draw checks upon the escrow agent or the trust funds of the escrow agent.

(b) The following form shall be used to notify the Commissioner pursuant to subsection (a):

Fee: \$10.00 + DOJ

Noncriminal Applicant

Fingerprint Fee

Receipt No. \_\_\_\_\_

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORATIONS  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-1105  
(213) 576-7690

NOTICE OF  
OFFICERS, DIRECTORS, TRUSTEES, EMPLOYEES OR  
OTHER PERSONS DIRECTLY OR INDIRECTLY COMPENSATED BY ESCROW AGENTS

<b>OFFICIAL USE ONLY</b>
LAST NAME _____
Date submitted CII: _____
Applicant I.D. # _____

PLEASE PRINT OR TYPE

\_\_\_\_\_

FILE NO. \_\_\_\_\_

Name of Company

ADDRESS OF MAIN OFFICE:

\_\_\_\_\_

Street

City

State

Zip Code

EMPLOYING BRANCH OFFICE: \_\_\_\_\_

APPLICANT'S NAME: \_\_\_\_\_

(Last)

(First)

(Middle)

POSITION HELD OR TO BE HELD: \_\_\_\_\_

HOME ADDRESS:

\_\_\_\_\_

Street

City

State

Zip Code

DATE OF BIRTH: \_\_\_\_\_ PLACE OF BIRTH: \_\_\_\_\_

Month Day Year

DRIVER'S LICENSE NUMBER: \_\_\_\_\_

HEIGHT: \_\_\_\_\_ WEIGHT: \_\_\_\_\_ SEX: \_\_\_\_\_ COLOR OF EYES: \_\_\_\_\_

COLOR OF HAIR: \_\_\_\_\_

\_\_\_\_\_

\* Fees should include the Department of Corporations' filing fee of (\$10.00) and the fee charged by the Department of Justice (Section 11105, Penal Code) for processing Noncriminal Applicant Fingerprints.

(c) The fee for filing a notice pursuant to subsection (b) of this section is \$10.00 for each notice plus the fee charged by the Department of Justice (Section 11105, Penal Code) for processing fingerprints and certain information provided by the applicant on the form.

(d) If the fingerprints of an individual named in a notice filed pursuant to subsection (b) of this section are not on file with the Commissioner, the escrow agent shall file with the notice ~~a Fingerprint Card (Form BID-7)~~ fingerprint information pursuant to California Penal Code Section 11077.1 or Request For Live Scan Service (Form BC11-8016) for such individual. Information as to whether or not an individual's fingerprints are on file with the Commissioner may be obtained from any office of the Commissioner. Upon filing the fingerprints of such person, an escrow agent shall reimburse the Department of Corporations the actual amount then currently charged by the Department of Justice for processing the fingerprints.

NOTE: Authority cited: Sections 17203.1 and 17400, Financial Code. Reference: Sections 17203.1, 17207, 17209, 17209.1 and 17312, Financial Code; and Section 11077.1, Penal Code.

4. Amend Section 1950.122 to read:

1950.122 Application for a License Under the California Residential Mortgage Lending Act.

The application for licensure under the California Residential Mortgage Lending Act shall be made in the following form:

(Department of Corporations Use Only)

DEPARTMENT OF CORPORATIONS

Fee Paid \$ \_\_\_\_\_

File No. \_\_\_\_\_

Receipt No. \_\_\_\_\_

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORATIONS

**FACING PAGE**

FOR

APPLICATION FOR A LICENSE UNDER THE  
**CALIFORNIA RESIDENTIAL MORTGAGE LENDING ACT**

*APPLICATION FOR A LICENSE AS A:* [ ] **LENDER** [ ] **LENDER & SERVICER** [ ] **SERVICER**

*PRE-LICENSE AMENDMENT NO.* \_\_\_\_\_ *POST-LICENSE AMENDMENT NO.* \_\_\_\_\_

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The application **must be TYPEWRITTEN and accompanied** by an application fee of \$900, a nonrefundable investigation fee of \$100, and fingerprint processing fees (Departments of Corporations and Justice). [Financial Code Sections 50121(c) and 50130(b)(2).] The application (together with the fees payable to the Commissioner of Corporations) must be filed only in the Los Angeles office of the Department of Corporations, located at 320 West 4<sup>th</sup> Street, Suite 750, Los Angeles, California 90013-1105. [Financial Code Section 50122 and 50130.]

Special Instructions: Any amendment to this application for licensure under the California Residential Mortgage Lending Act shall be made by a verified pre-license or post-license amendment to the application. A pre-license amendment is required for an amendment to the application prior to licensure; a post-license amendment is required subsequent to licensure. An amendment is made by filing the completed "Facing Page" with the appropriate pre-license or post-license amendment number entered, attaching the pages of that part of the application (including the exhibits) that are revised or changed, and attaching another duly executed and verified "Execution Page". (The Execution Page is found at the end of this application.)

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1. Name of Applicant: \_\_\_\_\_

Fictitious Business Name: \_\_\_\_\_

**[The application continues on the following, separate pages.]**

2. List the place or places of business at which Applicant will engage in licensed activity. Indicate principal place of business and branch or other office locations: (Attach a separate sheet, if necessary.)

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

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("dba" or fictitious business name)                      (Name of person in charge of business location)

3. Applicant is organized and will do business as (check as applicable):

an individual or sole proprietorship

a corporation

a partnership

other (please specify) \_\_\_\_\_

4. The following **must be completed** if the applicant is an:

Individual or Sole Proprietorship     General Partnership     Limited Partnership

If a general or limited partnership, applicant was organized on \_\_\_\_\_ in the State of

(Date)

\_\_\_\_\_.

The **FULL** first, middle (if no middle name, so indicate) and last name, and complete business address **MUST** be given for each individual or general partner. (Also, indicate if a general partner is the managing general partner.) [Financial Code Sections 50122(b) and 50130(b)(1).]

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(Name)

(Business Address)

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(Name)

(Business Address)

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(Name)

(Business Address)

5. The following **must be completed** if the applicant is a:

Corporation

Limited Liability Company

Trust

Other: \_\_\_\_\_

Applicant was organized on: \_\_\_\_\_ in the State of \_\_\_\_\_.

(Date)

The **FULL** first, middle (if no middle, so indicate) and last name, and complete business address **MUST** be given for each person named below: (Attach additional sheets, if necessary.) [Financial Code Sections 50121(d), 50122(b) and 50130(b)(1).]

***President/Chief Executive Officer:***

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(Name)

(Business Address)

***Executive Vice President/Vice President:***

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(Name)

(Business Address)

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(Name)

(Business Address)

***Secretary:***

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(Name)

(Business Address)

***Treasurer/Chief Financial Officer:***

---

(Name)

(Business Address)

***Principal Officers*** (See Financial Code Section 50128 for definition):

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(Name)

(Business Address)

***Director(s):***



---

(Name)

(Business Address)

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(Name)

(Business Address)

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(Name)

(Business Address)

***Manager(s)/Member(s)*** [i.e., a manager member of an association, or a manager appointed or elected by the members of a limited liability company]:

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(Name)

(Business Address)

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(Name)

(Business Address)

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(Name)

(Business Address)

***Trustee(s):***

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(Name)

(Business Address)

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(Name)

(Business Address)

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(Name)

(Business Address)

*Any person (other than those persons listed above) that owns or controls, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the applicant. (See Financial Code Section 50003(e)):*

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(Name)

(Business Address)

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(Name)

(Business Address)

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(Name)

(Business Address)

6. Please furnish the File Number(s) of any other Department of Corporations' license(s) currently held by applicant:

7. Please furnish the name of the law, the license number(s), and the name and address of the state regulator under which mortgage lending or mortgage servicing activities are conducted by the applicant in this state and in other states. (Attach additional sheets, if necessary.)

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8. The applicant's fiscal year end is: \_\_\_\_\_

Note: If you **DO NOT** designate a fiscal year end, the Department will record your fiscal year end as December 31.

9. The following items **MUST BE** provided as Exhibits to the application:

**EXHIBIT A.** A statement of financial solvency supported by an audited financial statement with an unqualified opinion prepared by an independent certified public accountant in accordance with generally accepted accounting principles and reflecting the required minimum tangible net worth of \$250,000.

[Financial Code Sections 50122(b)(1), 50130(b)(1) and 50201.]

**EXHIBIT B.** A copy of the surety bond, including any and all riders and endorsements, shall be filed with the Commissioner of Corporations for review and approval prior to execution. A certified copy of the bond and any riders shall be filed with the Commissioner of Corporations within 10 days of its execution. [Financial Code Section 50205.] A copy of the fidelity bond currently in effect. [Financial

Code Section 50122(b)(6).]

**EXHIBIT C.** A copy of the evidence of federal agency approval for the applicant to engage in business as a lender and/or servicer of federally regulated mortgage loans. [Financial Code Sections 50003(l) and (p).]

**EXHIBIT D.** For each person named in Items 4 and 5 of this application, please furnish the following:  
[Financial Code Sections 50121(d), 50130(b)(1), 50130(f) and 50317(a).]

1. A Statement of Identity and Questionnaire\*,
2. Fingerprint Card\*, information pursuant to California Penal Code Section 11077.1\*,  
and
3. Notice of Officers, Directors, Partners, "Control" Persons, Managers, Members, Trustees and Employees of a Residential Mortgage Lender, Residential Mortgage Lender and Servicer, or Residential Mortgage Loan Servicer\*. (See, Rule 1950.122.2).

The Commissioner of Corporations may, in his or her discretion, waive the requirement of fingerprints for some or all of the persons named in Items 4 and 5 of this application where the applicant is a "public company." For the purpose of this requirement, "public company" means a company whose securities are listed or designated on a national securities exchange or interdealer quotation system certified by the Commissioner of Corporations under subdivision (o) of Section 25100 of the Corporations Code.

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\*These documents shall be treated by the Department of Corporations as being received in confidence pursuant to paragraph (4) of subdivision (d) of Section 6254 of the Government Code.

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**EXHIBIT E.** A detailed plan of business that includes the following items: [Financial Code Sections 50122(b) and 50130(b)(1).]

1. Describe in sufficient detail the business activities of the applicant. [Financial Code Sections 50122(b) and 50130(b)(1).]
2. A statement that the applicant or its members, directors, or principals, as appropriate, are at least 18 years of age. [Financial Code Sections 50122(b)(2) and 50130(b)(1).]
3. Information as to the character, fitness, financial and business responsibility, background, experience, and criminal convictions of any of the following:
  - a. Any person that owns or controls, directly or indirectly, 10 percent or more of any class of stock of the applicant. [Financial Code Sections 50122(b)(3)(A) and 50130(b)(1).]
  - b. Any person that controls, directly or indirectly, the election of 25 percent or more of the members of the board of directors of the applicant. [Financial Code Sections 50122(b)(3)(B) and 50130(b)(1).]
  - c. Any person or entity that significantly influences or controls the management of the applicant. [Financial Code Sections 50122(b)(3)(C) and 50130(b)(1).]
4. A description of any disciplinary actions filed against any other license under which the applicant conducts its business. [Financial Code Sections 50122(b)(4) and 50130(b)(1).]

5. A description of any adverse judgments entered in court actions filed by borrowers based upon allegations of fraud, misrepresentation, or dishonesty in the conduct of the applicant's business. [Financial Code Sections 50122(b)(5) and 50130(b)(1).]
  
6. A listing of all material judgments filed against the applicant, and all bankruptcy petitions filed by the applicant, for the preceding five years, and the disposition of each material judgment and bankruptcy petition. [Financial Code Sections 50121(b)(7) and 50130(f).]
  
7. Has applicant violated\* any provision of the California Real Estate Law (or the rules of the Real Estate Commissioner thereunder), the California Finance Lenders Law or the California Personal Property Brokers Law, California Consumer Finance Lenders Law or California Commercial Finance Lenders Law (or the rules of the of the Commissioner of Corporations under any of those laws), any other California financial institution or lending law, California Residential Mortgage Lending Act (or the rules of the Commissioner of Corporations adopted thereunder), or any provision of the laws or rules of this state or another state or foreign country relating to residential mortgage lending, brokering or servicing? If the answer is "yes", set forth below the name(s) of the state(s) or foreign country(ies), the specific provision(s) of the law(s) and rule(s), and the date(s) and disposition(s) of the violation(s). (Attach additional sheets, if necessary.) [Financial Code Sections 50126(a)(3) and 50130(f).]

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8. Has any officer, director, partner, member, trustee or person owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant violated\* any provision of the California Real Estate Law (or the rules of the Real Estate Commissioner thereunder), the California Finance Lenders Law or the California Personal Property Brokers Law, California Consumer Finance Lenders Law or California Commercial Finance Lenders Law (or the rules of the Commissioner of Corporations under any of those laws), any other California financial institution or lending law, California Residential Mortgage Lending Act, (or the rules of the Commissioner of the Corporations adopted thereunder), or any provisions of the laws or rules of this state or another state or foreign country relating to residential mortgage lending, or servicing? If the answer is "yes", set forth below the names(s) of the state(s) or foreign country(ies), the specific provision(s) of the law(s) and rule(s), and the date(s) and disposition(s) of the violation(s). (Attach additional sheets, if necessary.) [Financial Code Sections 50126(a)(3) and 50130(f).]

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\*For the purposes of this question, "violated" means that the applicant: (1) either has been convicted or pled nolo contendere to a felony or misdemeanor; (2) has been held liable in a civil action by final judgment; (3) is or has been permanently or temporarily enjoined by order, judgment or decree of any court of competent jurisdiction; and (4) is or has been subject to any order of a commission or administrator under any law or rule referred to in this question. If the conviction has been overturned or reversed on appeal, provide a copy of the order and any other documents necessary to explain the final disposition.

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9. A list of officers, directors, partners, members, trustees, or persons owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant who has, within the last 10 years:
  - a. Been convicted of, or plead nolo contendere to, a crime; or
  - b. Committed any act involving dishonesty, fraud or deceit, if the crime or act is substantially related to the qualifications, functions, or duties of a person engaged in business in accordance with this Law. [Financial Code Sections 50126(a)(2) and 50130(f).]

***EXHIBIT F.*** Complete the form entitled "Customer Authorization of Disclosure of Financial Records".

This form **must be TYPEWRITTEN** and signed by a person authorized to sign on behalf of the applicant. [Financial Code Sections 50122(b)(7), 50130(b)(1) and 50314(a).]

***EXHIBIT G.*** Provide a detailed statement describing any other business not coming within the purview of the California Residential Mortgage Lending Act that the applicant is proposing to be conducted on the same premises as, or in association or conjunction with, the business to be licensed. [Financial Code Section 50120(d).]

***EXHIBIT H.*** If the applicant will be doing business under a fictitious business name, provide a copy of the Certificate of Filing and Proof of Publication, both of which bear the County Clerk's filing stamp. Refer to Section 17000 of the Business and Professions Code for the requirements of filing this statement. [Financial Code Sections 50120(b) and 50130(a).]



**EXHIBIT I.** If the applicant is incorporated in the State of California (*domestic* corporation) submit a certificate of good standing or qualification duly executed not more than sixty days before filing this application by the Secretary of State of California showing that the applicant is authorized to do business in this State. [Financial Code Sections 50122(b)(7) and 50130(b)(1).]

**EXHIBIT J.** Submit the following if the applicant is incorporated outside of the State of California (*foreign* corporation): [Financial Code Sections 50122(b)(7) and 50130(b)(1).]

1. Name and address of the principal agent in California.
2. A certificate of good standing or qualification duly executed not more than sixty days before filing this application by the Secretary of State of the foreign state, or other proper authority showing that the applicant is authorized to transact business in that state.
3. A consent to service of process as required by Section 1950.122.1. Service made pursuant to the terms of the consent to service of process shall have the same force and validity as if served personally on the applicant. **SEE COMMISSIONER'S RULE 1950.122.1.**
4. A certificate of good standing or qualification duly executed not more than sixty days before the filing of this application by the Secretary of State of California showing that the applicant is authorized to do business in California.

**EXHIBIT K.** If the applicant is a **Limited Partnership** or **Limited Liability Company** (*domestic* business entity) submit a certificate of good standing, qualification, or other document duly executed not more than sixty days before filing this application by the Secretary of State of California showing that the applicant is authorized to do business in this State. [Financial Code Section 50122(b)(7) and 50130(b)(1).]

**EXHIBIT L.** Submit the following if the applicant is a **Trust, Limited Partnership or Limited Liability Company** organized outside of the State of California (*foreign* business entity): [Financial Code Sections 50122(b)(7) and 50130(b)(1).]

1. Name and address of the principal agent in California.
2. A certificate of good standing, qualification, or other document duly executed not more than sixty days before filing this application by the Secretary of State of the foreign state, or other proper authority showing that the applicant is authorized to transact business in that state.
3. A consent to service of process as required by Section 1950.122.1. Service made pursuant to the terms of the consent to service of process shall have the same force and validity as if served personally on the applicant. **SEE COMMISSIONER'S RULE 1950.122.1.**
4. A certificate of good standing, qualification, or other document, duly executed not more than sixty days before the filing of this application, by the Secretary of State of California, showing that the applicant is authorized to do business in California.

**EXHIBIT M.** By signing the application as provided for on the Execution Page, the applicant agrees (or attests) to the following: [Financial Code Sections 50120(e), 50122(b)(7), 50124, 50130(b), 50130(g), 50301(g) and 50314.]

1. To maintain staff adequate to meet the requirements of the California Residential Mortgage Lending Act, as prescribed by rule or order of the Commissioner of Corporations.
2. To keep and maintain for 36 months from the date of final entry the business records and other information required by law or rules of the Commissioner of Corporations regarding any mortgage loan made or serviced in the course of the conduct of its business.
3. To file with the Commissioner of Corporations any report required under law or rule or order of the Commissioner.
4. To disburse funds in accordance with its agreements and to make a good faith and reasonable effort to effect closing in a timely manner.
5. To account or deliver to a person any personal property such as money, funds, deposit, check, draft, mortgage, other document, or thing of value, that has come into its possession and is not its property, or that it is not in law or equity entitled to retain under the circumstances, at the time that has been agreed upon or is required by law, or, in the absence of a fixed time, upon demand of the person entitled to the accounting or delivery.

6. To file with the Commissioner of Corporations an amendment to this application prior to any material change in the information contained in the application for licensure, including, without limitation, the plan of operation.
7. To notify the Commissioner of Corporations, in writing, by certified mail, return receipt requested, prior to opening a branch office in this state or changing its business location(s) or the location(s) of any branch office(s) from which activities subject to the California Residential Mortgage Lending Act are conducted.
8. To comply with the provisions of the California Residential Mortgage Lending Act, and with any order or rule of the Commissioner of Corporations.
9. To submit to periodic and nonroutine examinations by the Commissioner of Corporations as required by the California Residential Mortgage Lending Act.
10. To advise the Commissioner of Corporations by amendment to this application of any material judgment filed against, or bankruptcy petition filed by, the applicant within five days of the filing.
11. Hereby attests that a board of director's resolution (or the resolution of the governing body of a person not a corporation) has been passed confirming that a register of all loans made or serviced under this license will be updated at least monthly, and that the information maintained in the register will include the name and address of the borrower, account number, amount of loan, date of loan, terms, total of payments and the annual percentage rate, and that

the register will also show the account number, name of borrower and payoff date of all loans paid in full.

12. Hereby attests that the applicant has complied with all applicable state and federal tax return filing requirements for the past three years or has filed with the Commissioner of Corporations an independent certified public accountant's or attorney's statement as to why no return was filed.
13. Hereby attests that the applicant has not committed a crime under the laws of any state or the United States, involving moral turpitude, misrepresentation, fraudulent or dishonest dealing, or fraud and has disclosed to the Commissioner of Corporations any final judgment entered against it in a civil action upon grounds or allegations of fraud, misrepresentation, or deceit.
14. Hereby attests that the applicant has not engaged in conduct that would be cause for denial of a license.
15. Hereby attests that the applicant is not insolvent.
16. Hereby attests that the applicant has acted with due care and competence in performing any act for which it is required to hold a license under the California Residential Mortgage Lending Act.
17. Hereby attests that the applicant will comply with all applicable requirements of California and federal law, including the California Civil Code and Section 2609 of the Real Estate Settlement Procedures Act of 1974, as amended, (12 U.S.C.A. Sec. 2601 et seq.) when servicing residential mortgage loans.

***EXHIBIT N.*** Additional Licensing Requirements for Out of State Locations. [Financial Code Sections 50120(e) and 50130(e).]

*If the applicant's principal place of business is to be located outside of the State of California, the following items must be provided as an exhibit:*

1. The name, address, and phone number of the authorized individual to whom the California Department of Corporations can direct all inquiries regarding the California operations. Please also include the name, address, and phone number of the licensee's representative to contact in order to obtain the books, records, and accounts of the licensee and the location where they will be made available for inspection.
2. A statement as to the name, address and phone number of the individual responsible for informing the California Department of Corporations of any change in name, address, and phone number requested in Item 1 above.
3. Hereby attests that a board of director's resolution (or the resolution of the governing body of a person not a corporation) has been passed stating the following:

*Subject to the sole discretion of the California Commissioner of Corporations,*

- a. I (we) agree to make available to the Commissioner of Corporations or the Commissioner's representatives, at a location in this state designated by the Commissioner of Corporations, or the Commissioner's representatives, the books, accounts, papers, records and files within 10 calendar days of any request from the Commissioner.

**OR**

- b. To pay the reasonable expenses for travel, meals, and lodging of the Commissioner of Corporations, or the Commissioner's representatives incurred during any investigation or examination made at the licensee's location outside this state.

**[The next page is the Execution Page.]**

EXECUTION PAGE

Please indicate the name, address, title, and telephone number of the person who should be contacted for information regarding this application. The license will be mailed to this person unless otherwise instructed.

Attention: \_\_\_\_\_

(Name)

(Title)

(Telephone Number)

\_\_\_\_\_  
(Number and Street)

(City)

(State)

(Zip)

In the event of the issuance of a license, applicant agrees to comply with the requirements of the California Residential Mortgage Lending Act and rules adopted, and orders issued, by the Commissioner of Corporations, and further agrees that in the event of any change of its officers, directors, or any persons named in this application, that a verified amendment to the application reflecting such change shall within fifteen business days from the date of the change, be filed with the Commissioner of Corporations setting forth the change, the effective date of the change, the names of the persons involved in the change, and a statement of the qualifications of each successor person. [Financial Code Sections 50122(b)(7), 50124(a)(6) and 50130(b)(1).]

WHEREFORE, applicant requests that a license be issued by the Commissioner of Corporations authorizing applicant to engage in business under the California Residential Mortgage Lending Act within the State of California.



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

\_\_\_\_\_

(Applicant)

By \_\_\_\_\_

\_\_\_\_\_

(Typed Name)

\_\_\_\_\_

(Title)

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

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

Executed at \_\_\_\_\_

\_\_\_\_\_

(Signature of Declarant)

Date \_\_\_\_\_

\_\_\_\_\_  
(Typed Name)

***IF EXECUTED OUTSIDE THE STATE OF CALIFORNIA, ATTACH A VERIFICATION  
EXECUTED AND SWORN TO BEFORE A NOTARY PUBLIC.***

NOTE: Authority cited: Section 50304, Financial Code. Reference: Sections 50003, 50120, 50121, 50122, 50124, 50126, 50130, 50201, 50205, 50301, 50314 and 50317, Financial Code; and Section 11077.1, Penal Code.

5. Amend Section 2020 to read:

2020. Application for Deferred Deposit Transaction Licenses.

(a) The application for a deferred deposit transaction license pursuant to Financial Code Section 23005(a) shall be filed upon the form set forth in subdivision (c) of this section.

(b) Within 45 calendar days from the receipt of the application under this rule, the Commissioner shall inform the applicant, in writing, that the application is complete and accepted for filing, or that the application is deficient and specify what information is required to complete the application. Within 60 calendar days from the filing of a completed application, the Commissioner shall reach a decision on the license.

(c) An application for a deferred deposit transaction license shall be submitted to the Commissioner on the following form:

(Department of Corporations Use Only)

DEPARTMENT OF CORPORATIONS

Fee Paid \$ \_\_\_\_\_

File No. \_\_\_\_\_

Receipt No. \_\_\_\_\_

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORATIONS

APPLICATION FOR A LICENSE UNDER THE  
CALIFORNIA DEFERRED DEPOSIT TRANSACTION LAW

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The application must be accompanied by a fee of \$300, which includes an application fee of \$200 and an investigation fee of \$100, both of which are non-refundable. (Financial Code Section 23006.) The application (together with the fee payable to the Department of Corporations) must be filed in the Sacramento office of the Department of Corporations, located at 1515 K Street, Suite 200, Sacramento, CA 95814.

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The Department of Corporations has established time periods for the processing of permit applicants. These time periods are set forth in the regulations of the Department of Corporations and Financial Code Section 23011(c). Failure to comply with these time periods may be appealed to the Secretary of Business, Transportation and Housing Agency, 980 9<sup>th</sup> Street, Suite 2450, Sacramento, CA 95814-2719, pursuant to the regulations of the Secretary set forth in Chapter 6 (commencing with Section 7600) of Title 21 of the California Code of Regulations. Under certain circumstances, the Secretary may require the Department of Corporations to reimburse the applicant for the filing fees paid in connection with the application.

1. Name of applicant: \_\_\_\_\_

Fictitious Business Name: \_\_\_\_\_

2. Applicant is organized and will do business as (check as applicable):

- an individual
- a partnership
- a corporation
- a limited liability company
- other (please specify)

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3. Applicant's licensed place of business shall be (Financial Code Section 23020):

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(Number and Street)	(City)	(County)	(State)	(Zip)
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Provide the following additional information for any mobile unit location:

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(Manufacturer)	(Model)	(Year)	(Color)	(Vehicle Identification No. (VIN))
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(License Plate No.)	(Applicant Identifier (if any))
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Proposed area in which the mobile unit will operate: \_\_\_\_\_

4. The following must be completed if the applicant is an:

Individual:

The FULL first, middle (if no middle name, so indicate) and last name of the individual.

---

(Name)

Those applying for a license as an individual must complete the enclosed form entitled Statement of Citizenship, Alienage, and Immigration Status. (See Exhibit D.)

5. The following must be completed if the applicant is a:

General Partnership

Limited Partnership

The partnership applicant was organized on \_\_\_\_\_ in the  
(Date)

State of \_\_\_\_\_.

The FULL first, middle (if no middle name, so indicate) and last name, and complete business address MUST be given for each general partner. Indicate if a general partner is the managing general partner.

---

(Name)

---

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

---

(Name)

---

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

---

(Name)

---

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

(Please see Item 6 for persons owning or controlling, directly or indirectly, 10% or more of the outstanding interests. (See Financial Code Section 23008.)

6. The following must be completed if the applicant is a:

Corporation

Limited Liability Company

Trust

Other: \_\_\_\_\_.

Applicant was organized on \_\_\_\_\_ in the State of \_\_\_\_\_.

(Date)

Indicate if any of the following positions do not exist within the entity selected above. For those positions within the entity, the FULL first, middle (if no middle name, so indicate) and last name, MUST be given for each person(s) occupying the positions listed below: (Attach additional sheets, if necessary.)

*President/Chief Executive Officer:*

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(Name)

*Executive Vice President/Vice President:*

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(Name)

---

(Name)

*Secretary:*

---

(Name)

*Treasurer/Chief Financial Officer:*

---

(Name)

*Directors:*

---

(Name)

---

(Name)

---

(Name)

*Managers(s)/Members(s)* (i.e., a manager member of an association, or a manager appointed or elected by the members of a limited liability company):

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(Name)

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(Name)

---

(Name)

*Trustee(s):*

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(Name)

---

(Name)

---

(Name)

Any other officer with direct responsibility for the conduct of applicant's deferred deposit activity within the state:

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(Name)

---

(Name)

---

(Name)

List any person, as defined in Financial Code Section 23001 (other than those persons listed above) that owns or controls, directly or indirectly, 10% or more of the applicant. (See Financial Code Section 23008):

---

(Name)



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(Name)

---

(Name)

The FULL first, middle (if no middle name, so indicate), last name, complete business address, telephone number, and e-mail address, if any, must be given for each of the person(s) who will be in charge of the place of business.

---

(Name)

(Telephone no.)

(E-mail Address)

---

(Number and Street)

(City)

(State)

(Zip)

---

(Name)

(Telephone no.)

(E-mail Address)

---

(Number and Street)

(City)

(State)

(Zip)

7. Has the applicant been subject to any administrative action in California or any other state? If so, please provide details and attach a copy of any action. If NONE, so state. (Attach additional sheets, if necessary.)

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8. Please provide the name, address, and telephone number of the bonding agent to who the Department can direct questions regarding the surety bond required in Exhibit B below.

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(Bonding Agent)		(Telephone no.)	
(Number and Street)	(City)	(State)	(Zip)

9. Please provide a short description of your business plan.

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10. The following items MUST be provided as exhibits to the application:

EXHIBIT A. Please provide financial statement, including a balance sheet of the applicant as of a date not more than ninety days prior to the date this application is filed, that indicate a minimum net worth of \$25,000. (Financial Code Section 23007; the balance sheet may be unaudited.)

EXHIBIT B. Please provide a copy of a surety bond, including any and all riders and endorsements, in the amount of \$25,000. The bond has to be in effect prior to the issuance of a license. Instructions and surety bond form acceptable to the Department of Corporations are enclosed. (Financial Code Section 23013.)

EXHIBIT C. Please provide, for each person named in Items 4, 5, and 6 of this application, a Statement of Identity and Questionnaire, form enclosed (Financial Code Section 23008), along with a fingerprint card information pursuant to California Penal Code Section 11077.1 obtained from the Department of Corporations and the cost of fingerprint processing. (Financial Code Section 23006.) ~~Check cashers that held a valid permit prior to January 1, 2003 issued pursuant to Civil Code Section 1789.37, that have been making deferred deposits prior to January 1, 2003 and that have fingerprint information on file with the Department of Justice, must provide a Statement of Identity and Questionnaire but do not need to provide new fingerprint cards for persons who already have their cards on file with the Department of Justice.~~ (Financial Code Section 23100.)

EXHIBIT D. FOR INDIVIDUAL APPLICANTS ONLY. Please complete the enclosed form entitled "Statement of Citizenship, Alienage, and Immigration Status For Application of Department of Corporations License or Certificate." (Title 10 C.C.R. Section 250.61.)

EXHIBIT E. Please retain the enclosed form entitled "Licensee Authorization of Disclosure of Financial Records" and complete and return it to the Corporations Commissioner upon receipt of the license. A

person named in Items 4, 5, or 6 of this application who is authorized to sign on behalf of the licensee must sign this form. (Financial Code Sections 23005(b), 23024.)

EXHIBIT F. If the applicant will be doing business under a fictitious business name, provide a copy of the Certificate of Filing and Proof of Publication, both of which bear the County Clerk's filing stamp. Refer to Section 17000 of the Business and Professions Code for the requirements of filing this statement. (Financial Code Section 23023.)

EXHIBIT G. Please submit the following if the applicant is incorporated in the State of California (domestic corporation):

1. An ORIGINAL certificate of good standing or qualification duly executed not more than sixty (60) days before filing this application by the Secretary of State of California showing that the applicant is authorized to do business in this State. The certificate must also indicate the original date of incorporation. (Financial Code Sections 23005(b), 23015.)
2. A copy of the notice filed with the Department of Corporations that the initial issuance of shares of stock was entitled to an exemption pursuant to Section 25102 of the Corporations Code or was qualified for issuance in some other manner. (Financial Code Sections 23005(b), 23015.)

EXHIBIT H. Please submit the following if the applicant is incorporated outside of the State of California (foreign corporation): (Financial Code Sections 23005(b), 23015.)

1. A certificate of good standing or qualification duly executed not more than sixty (60) days before filing this application by the Secretary of State of the foreign state, or other proper authority, showing that

the applicant is authorized to transact business in that state. The certificate must also indicate the original date of incorporation.

2. A certificate of good standing or qualification duly executed not more than sixty (60) days before the filing of this application by the Secretary of State of California showing that the applicant is authorized to do business in California.
3. A Consent to Service of Process (form enclosed). Service made pursuant to the terms of the consent to service of process shall have the same force and validity as if served personally on the applicant.
4. Name and address of the principal agent in California.

EXHIBIT I. If the applicant is a Trust, Limited Partnership or Limited Liability Company (domestic business entity) submit an ORIGINAL certificate of good standing, qualification, or other document duly executed not more than sixty (60) days before filing this application by the Secretary of State of California showing that the applicant is authorized to do business in California. The certificate must also indicate the original date of incorporation. (Financial Code Sections 23005(b), 23015.)

EXHIBIT J. Please submit the following if the applicant is a Trust, Limited Partnership or Limited Liability Company organized outside of the State of California (foreign business entity): (Financial Code Sections 23005(b), 23015.)

1. A certificate of good standing or qualification duly executed not more than sixty (60) days before filing this application by the Secretary of State of the foreign state, or other proper authority, showing that

the applicant is authorized to transact business in that state. The certificate must also indicate the original date of incorporation.

2. A certificate of good standing or qualification duly executed not more than sixty (60) days before the filing of this application by the Secretary of State of California showing that the applicant is authorized to do business in California.
3. A Consent to Service of Process (form enclosed). Service made pursuant to the terms of the consent to service of process shall have the same force and validity as if served personally on the applicant.
4. Name and address of the principal agent in California.

**EXHIBIT K. DECLARATION REGARDING LAW AND RULES.** Please complete and attach the enclosed declaration regarding the applicant's knowledge of the Deferred Deposit Transaction Law and Rules. Only one responsible officer or director is required to complete this form.

**EXHIBIT L. DECLARATION PURSUANT TO FINANCIAL CODE SECTION 23037(i).** Please complete and attach the enclosed declaration regarding offering, arranging, acting as an agent for, or assisting a deferred deposit originator in the making of a deferred deposit transaction. Only one responsible officer or director is required to complete this form.

EXECUTION SECTION

Please indicate the name, address, title, telephone number and e-mail address (if applicable) of the person who should be contacted for information regarding this application. The license will also be mailed to this person unless otherwise instructed.

Attention: \_\_\_\_\_

(Name)

(Title)

(Telephone Number)

\_\_\_\_\_

(Number and Street)

(City)

(State)

(Zip Code)

Email Address: \_\_\_\_\_

In the event of the issuance of a license, applicant agrees to comply with the requirements of the California Deferred Deposit Transaction Law and rules adopted, and orders issued, by the Commissioner of Corporations, and further agrees that in the event of any change of its officers, directors, or any persons named in this application, that an amendment to the application reflecting such change shall within sixty (60) days from the date of the change, be filed with the Commissioner of Corporations setting forth the change, the effective date of the change, the names of the persons involved in the change, and a statement of the qualifications of each successor person. (Financial Code Sections 23008, 23010.)

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

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

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

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

\_\_\_\_\_  
(Applicant)

Executed at \_\_\_\_\_

\_\_\_\_\_  
(Signature of Declarant)



Date \_\_\_\_\_

\_\_\_\_\_

(Typed Name)

\_\_\_\_\_

(Title)

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORATIONS  
EXHIBIT B

INSTRUCTIONS FOR FILING OF SURETY BOND

The attached form contains the approved format for the Surety Bond as required by Financial Code Section 23013. Every company is required to obtain and maintain a surety bond.

The original surety bond must be filed and must include ~~of~~ all of the following:

1. The signature of the attorney-in-fact for the surety company.
2. A notarial jurat for the attorney-in-fact.
3. A power of attorney from the surety company.
4. Legal name of the licensee, Business name(s), if applicable, may also be included.
5. The signature of the licensee.
6. The notarial jurat for the signature of the licensee.

BEFORE THE  
DEPARTMENT OF CORPORATIONS  
OF THE  
STATE OF CALIFORNIA  
EXHIBIT B

SURETY BOND OF DEFERRED DEPOSIT TRANSACITN LAW LICENSEE

FINANCIAL CODE SECTION 23013

Bond No. \_\_\_\_\_

KNOW ALL MEM BY THESE PRESENTS:

That we \_\_\_\_\_,

as Principal, whose address for service is

\_\_\_\_\_,

(Street Address, City, State and Zip Code)

and \_\_\_\_\_, a corporation, created, organized and existing under and by virtue of the laws of the State of \_\_\_\_\_ and an admitted Surety insurer authorized to transact a general Surety business in the State of California, as Surety who address for service is

\_\_\_\_\_,

(Street Address, City, State and Zip Code)

are held and firmly bound unto the Commissioner of Corporations of the State of California, for the use thereof and for the use of any person or persons who may have a cause of action against the Principal under the provisions of the California Deferred Deposit Transaction Law and all laws amendatory thereof and supplementary thereto now and hereafter enacted, in the total aggregate penal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (see Financial Code Section 23013), lawful money of the United States of America, to be paid to the Commissioner of Corporations of the State of California, or to any person or persons, for the use and benefit aforesaid, 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.

The condition of the above obligation is such that –

WHEREAS, the above-named Principal has made application to the Commissioner of Corporations of the State of California for a license to engage in business under and pursuant to the provisions of the California Deferred Deposit Transaction Law, and is required under the provisions of the California Deferred Deposit Transaction Law to furnish a bond in the sum above named, conditioned as herein set forth:

NOW, THEREFORE, the Principal, and any and all agents and employees representing the Principal, shall faithfully conform to and abide by the provisions of the California Deferred Deposit Transaction Law and all laws amendatory thereof and supplementary thereto now and hereafter enacted, and of all rules and regulations lawfully made by the Commissioner of Corporations of the State of California under the California Deferred Deposit Transaction Law and shall honestly and faithfully apply all funds received and shall faithfully and honestly perform all obligations and undertaking under the California Deferred Deposit Transaction Law, and shall pay to the Commissioner of Corporations of the State of California and to any person or persons, for the use and benefit aforesaid, any and all moneys which become due or owing the State or to any such person or persons from the Principal under and by virtue of the provisions of the California Deferred Deposit Transaction Law.

This bond is subject to the following provisions:

1. That any person who sustains an injury covered by this bond may, in addition to any other remedy that he or she may have, bring an action in his or her own name upon this bond for the recovery of any damages sustained by him or her.

2. That the total aggregate liability of the Surety or sureties herein shall be limited to the payment of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (insert amount of the bond).

3. This bond may be canceled by the Surety in accordance with the provisions of Section 996.320 and 996.330 of the Code of Civil Procedure of the State of California.

4. That, in the event either the Principal and/or the Surety under this bond are served with notice of any action commenced against the Principal or the Surety under the bond, the Principal and Surety as each is served with notice of action shall respectively and, within 10 days, give written notice of the filing of such action to the Commissioner of Corporations of the State of California, at the Los Angeles Office of the Department of Corporations.

5. That, in the event the Surety under this bond makes full or partial payment on this bond the Surety shall immediately give written notice of such full or partial payment to the Commissioner of Corporations of the State of California, at the Los Angeles office of the Department of Corporations.

6. That the effective date of this bond shall be \_\_\_\_\_.

\_\_\_\_\_

Signature of Principal

\_\_\_\_\_

Typed or Printed Name of Principal

\_\_\_\_\_

Executed at (City and State)

I certify (or declare) under penalty of perjury that I have executed the foregoing bond under an unrevoked power of Attorney.

Executed in \_\_\_\_\_ on \_\_\_\_\_  
(City and State) (Date)

under the laws of the State of California.

\_\_\_\_\_  
Signature of Attorney-in-Fact for Surety

\_\_\_\_\_  
Printed or typed name of  
Attorney-in-Fact for Surety

ALL OF THE ABOVE SIGNATURES MUST BE NOTARIZED

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORATIONS  
EXHIBIT C

\_\_\_\_\_

\_\_\_\_\_

File No., if any

\_\_\_\_\_

*Licensee (Company Name)*

*(Insert Department of Corporations file number, if any, and the name of the licensee (company) to which this Statement of Identity and Questionnaire relates.)*

This document (together with any fingerprint cards, information, if applicable) shall be treated by the Department of Corporations as being received in confidence pursuant to paragraph (4) of subdivision (d) of Section 6254 of the Government Code.

STATEMENT OF IDENTITY AND QUESTIONNAIRE

Exact Full Name \_\_\_\_\_

(Please Print)            First Name                            Middle Name                            Last Name

(Do not use initials or nicknames)

Position to be filled in connection with the preparation of this questionnaire (e.g. *Officer, Director, Manager, etc.*): \_\_\_\_\_.

Sex                      Hair                      Eyes                      Height                      Weight

Birthday \_\_\_\_\_ Birthplace \_\_\_\_\_

Social Security or California Driver's License  
 Taxpayer's Identification No. \_\_\_\_\_ No., if any \_\_\_\_\_

NOTE: See Commissioner's Release 2-G (Revised), attached, regarding whether or not furnishing the social security number is mandatory or voluntary and for a description of the use made of that information.

Residence                      Business                      Hours of  
 Phone No. \_\_\_\_\_ Phone No. \_\_\_\_\_ Employment \_\_\_\_\_

1. Residence addresses for the last 10 years:

From	To	Street	City	State
	Present			



NOTE: Attach separate schedule if space is not adequate

2. Employment for the last 10 years:

From	To	Employer Name and Address	Occupation and Duties
	Present		

NOTE: Attach separate schedule if space is not adequate.

3. Have you ever been named in any order, judgment or decree of any court or any governmental agency or administrator, temporarily or permanently restraining or enjoining you from engaging in or continuing any conduct, practice or employment?

Yes       No

If the answer is "Yes" give details:

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5. Have you ever been convicted of or pleaded nolo contendere to a misdemeanor or felony other than traffic violations?

*NOTE: "Convicted" includes a verdict of guilty by judge or jury, a plea of guilty or of nolo contendere or a forfeiture of bail. All convictions must be disclosed even if the plea or verdict was thereafter set aside and the charges against you dismissed or expunged or if you have been pardoned. Convictions occurring while you were a minor must be disclosed unless the record of conviction has been sealed under Section 1203.45 of the California Penal Code or Section 781 of the California Welfare and Institution Code.*

[ ] Yes                      [ ] No

If the answer is "Yes" give details:

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6. Have you ever been a defendant in a civil court action other than divorce, condemnation or personal injury?

[ ] Yes                      [ ] No

If the answer is "Yes" please complete the following:

Date of suit \_\_\_\_\_ Location of court \_\_\_\_\_

Nature of Suit \_\_\_\_\_

7. Have you ever been a subject of a bankruptcy or a petition in bankruptcy?

[ ] Yes                      [ ] No

If the answer is "Yes" give date, title of case, location of bankruptcy filing:

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8. Have you ever been refused a bond, or have you ever had a bond revoked or canceled?

[ ] Yes [ ] No

If the answer is "Yes" give details:

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9. Have you ever changed your name or ever been known by any name other than that herein listed?

*(Including a woman's maiden name)* [ ] Yes [ ] No

If so, explain. Change in name through marriage or court order should also be listed. EXACT DATE OF EACH NAME CHANGE MUST BE LISTED.

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10. Have you ever done business under a fictitious firm name either as an individual or in the partnership or corporate form?

[ ] Yes [ ] No

If the answer is "Yes" set forth particulars:

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NOTE: The following questions must be answered by all persons submitting this questionnaire in connection with an ESCROW AGENT'S LICENSE.

11. In what capacity will you be employed? \_\_\_\_\_

(E.g., Clerk, Escrow Officer, Manager, Officer, Director, etc.)

12. Do you expect to be a party to, or broker or salesman in connection with escrow conducted by the escrow company which is employing you?

Yes       No

If the answer is "Yes" please explain:

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NOTE: Attach separate schedule if space is not adequate.

This statement will be considered confidential information and will be filed and maintained as part of the confidential records not subject to public inspection.

VERIFICATION

I, the undersigned, state that I am the person named in the foregoing Statement of Identity and Questionnaire; that I have read and signed said Statement of Identity and Questionnaire and know the contents thereof, including all exhibits attached thereto; and that the statements made therein, including any exhibits attached thereto; are true.

I certify/declare under penalty of perjury that the foregoing is true and correct.

Executed at \_\_\_\_\_ (City)

\_\_\_\_\_  
(County) (State)

this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Signature of Declarant)

State of \_\_\_\_\_)

County of \_\_\_\_\_)

Date \_\_\_\_\_, 20\_\_

at \_\_\_\_\_

\_\_\_\_\_  
(Signature of Affiant)

Subscribed and sworn to before me

\_\_\_\_\_, 20\_\_

\_\_\_\_\_

Notary Public in and for said County and State

NOTE: *This verification may be made either before a Notary Public or as a declaration under penalty of perjury. This form MUST be executed before a notary public if it is executed OUTSIDE the State of California.*

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORATIONS  
EXHIBIT E

LICENSEE AUTHORIZATION FOR DISCLOSURE OF FINANCIAL RECORDS

Pursuant to Financial Code Section 23024 and Government Code Section 7473, any financial institution, wherever situated, possessing financial records of

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(Name of Company as appears on Application)

Licensed under the CALIFORNIA DEFERRED DEPOSIT TRANSACTION LAW

is hereby authorized to disclose to the California Department of Corporations records of the above-named business licensed under the above-described Act, whether such records relate to accounts which have been closed, accounts which are currently maintained, or accounts which are hereafter established.

This authorization is effective as of the date of execution and shall remain effective until two (2) years after the expiration or revocation of the above-named business licensed under the above-described Act, including renewals of such license.

This authorization may not be revoked.

The terms used in this authorization shall have the definitions contained in the California Right to Financial Privacy Act (Government Code Section 7460 et seq.), and the California Deferred Deposit Transaction Law (Financial Code Section 23000 et seq.).

The above-named Licensee has duly caused this authorization to be signed on its behalf by the undersigned, thereunto duly authorized.

Executed on \_\_\_\_\_ at \_\_\_\_\_

(Provide date and city where executed)

\_\_\_\_\_

(Name of Licensee)

By \_\_\_\_\_

(Signature)

\_\_\_\_\_

(Title)

STATE OF CALIFORNIA

DEPARTMENT OF CORPORATIONS

INSTRUCTIONS FOR LICENSEE AUTHORIZATION  
FOR DISCLOSURE OF FINANCIAL RECORDS FORM



On the reverse side is a Licensee Authorization for Disclosure of Financial Records form. The Commissioner of Corporations is authorized to require such authorization form licensees and other persons pursuant to the authority cited in Financial Code Section 23024.

The form must be properly executed and submitted prior to the issuance of a license, qualification, registration, or other authority, and as a condition therefor.

All information required on the form, except the signature of the person executing the form, is to be typewritten.

If additional authorization forms are needed, they may be obtained from any office of the Department of Corporations, or an accurate copy of the form may be used by applicant.

STATE OF CALIFORNIA  
TO THE COMMISSIONER OF CORPORATIONS OF  
THE STATE OF CALIFORNIA

CONSENT TO SERVICE OF PROCESS

EXHIBITS H AND J

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, \_\_\_\_\_ (a corporation, partnership or limited liability company organized under the laws of the State of \_\_\_\_\_), (an individual), (other \_\_\_\_\_) hereby irrevocably appoints the Commissioner of Corporations of the State of California, or the Commissioner's successor in office, to be the undersigned's attorney to receive service of any lawful process in any noncriminal suit, action or proceeding against the undersigned, or the undersigned's successor, executor, or administrator which arises under the California Deferred Deposit Transaction Law or any rule or order thereunder after this consent has been filed, with the same force and validity as if served personally on the undersigned.

For the purpose of compliance with the California Deferred Deposit Transaction Law, notice of the service and a copy of the process should be sent by registered or certified mail to the undersigned at the following address:

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(Name and Address)

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Dated: \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

#### ACKNOWLEDGMENT

STATE OF \_\_\_\_\_)

COUNTY OF \_\_\_\_\_)

On \_\_\_\_\_ before me, (here insert name and title of the officer), personally appeared \_\_\_\_\_ personally known to me (or provided to me on the basis of satisfactory evidence) to be the person(s) who/whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument are the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

Any certificate of acknowledgement taken in another place shall be sufficient in this state if it is taken in accordance with the laws of the place where the acknowledgement is made.

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORATIONS  
EXHIBIT K

DECLARATION REGARDING LAW & RULES  
CALIFORNIA DEFERRED DEPOSIT TRANSACTION LICENSE

In the matter of the Application for a License under the California Deferred Deposit Transaction Law, I, the undersigned, authorized to act on behalf of the applicant, declare that the following statements are true and correct:

I (we) have obtained and read copies of the California Deferred Deposit Transaction Law (Division 10 of the California Financial Code) and the Rules (Chapter 3, Title 10, California Code of Regulations) and am familiar with their content; and,

I (we) agree to comply with all of the provisions of the California Deferred Deposit Transaction Law, including any rules or orders of the Commissioner of Corporations.

Additionally, by signing this declaration as provided for on the Execution Page, the applicant hereby agrees (or attests) or declares their understanding of the following items listed below:

1. That the applicant will submit to periodic examinations by the Commissioner of Corporations as required by the California Deferred deposit Transaction Law.

2. That the applicant will keep and maintain all records for two (2) years following the last entry on a deferred deposit transaction and will enable an examiner to review the record keeping and reconcile each consumer deferred deposit transaction with documentation maintained in the consumer's file records.
3. That the applicant understands the examination process involving the reconciliation of records will be facilitated if the applicant maintains, at a minimum, a ledger or listing of the following current and updated information for each deferred deposit transaction (as specified in Financial Code Section 23035): customer's name and address, account number, check number, amount provided, fee, amount of check, corresponding annual percentage rate (e.g. 14-day or 30-day), and the deferred due date.
4. That the applicant will maintain a file of all advertising for a period of ninety (90) days from the date of its use, which will be available to the Commissioner of Corporations upon request.
5. That the applicant will file with the Commissioner of Corporations an amendment to this application prior to any material change in the information contained in the application for licensure, including, without limitation, the plan of operation.
6. That the applicant will file with the Commissioner of Corporations any report required by the Commissioner.
7. That the applicant hereby attests that the applicant (including officers, directors and principals) has not engaged in conduct that would be cause for denial of a license. Only one declaration required for each applicant.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ at \_\_\_\_\_

(date)

(place)

\_\_\_\_\_

(Signature)

\_\_\_\_\_

(Print name and title)

STATE OF CALIFORNIA  
DEPARTMENT OF CORPORAITONS  
EXHIBIT L

DECLARATION PURSUANT TO  
FINANCIAL CODE SECTION 23037(i) OF  
THE CALIFORNIA DEFERRED DEPOSIT TRANSACTION LAW

In the matter of the Application for a License under the California Deferred Deposit Transaction Law, I, the undersigned, authorized to act on behalf of the applicant, declare that the following statements are true and correct:

1. The applicant will comply with all federal and state laws and regulations (including Division 10, commencing with Section 23000, of the Financial Code), if it offers, arranges, acts as an agent for, or assists a deferred deposit originator in the making of a deferred deposit transaction. (Financial Code Section 23037(i).)
  
2. The applicant will comply with all of the requirements of the exception specified in paragraphs (1) and (2) of subdivision (i) of Financial Code Section 23037, if it offers, arranges, acts as an agent for, or assists a state of federally chartered bank, thrift, savings association, or industrial loan company, in the making of a deferred deposit transaction. (Financial Code Section 23037(i)(1)(2).)

Will applicant engage in activities with a financial institution as described in number 2 above?

Yes [ ] No [ ]

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed on \_\_\_\_\_ at \_\_\_\_\_  
(Date) (City and State)

\_\_\_\_\_  
(Signature) (Print name and title)

NOTE: Authority cited: Section 23015, Financial Code. Reference: Sections 23005(b) and 23015, Financial Code; and Section 11077.1, Penal Code.