

State of South Carolina
SC State Board of Financial Institutions
Consumer Finance Division
1205 Pendleton Street, Suite 306
Columbia, SC 29201
Phone: (803) 734-2020
www.consumerfinance.sc.gov

Who is required to have a Supervised Lender's License (Consumer Finance License)?

An entity that is making consumer loans or is taking assignments of **and** undertaking direct collection of payments from or enforcement of rights against debtors arising from supervised loans. A supervised loan means a consumer loan in which the rate of the loan finance charge exceeds twelve percent per year as determined according to the provisions on the loan finance charge for consumer loans (Section 37-3-201).

Who is not required to have a Supervised Lender's License (Consumer Finance License)?

- (a) Mortgage loan as defined in Section 37-22-110 (30); or
- (b) Closed-end credit transaction, with an original repayment term of less than one hundred twenty days, unsecured by any interest in the consumer's personal property or secured by personal property, excluding motor vehicles that are free of any other liens or encumbrances, that does not have a market value that reasonably secures the amount of the loan, and the consumer:
 - (i) receives funds from and incurs interest or a fee payable to a creditor, and contemporaneously with, or any time after, the receipt of funds, provides a check or other payment instrument to the creditor who agrees with the consumer not to deposit or present the check or payment instrument; or
 - (ii) receives funds from and incurs interest or a fee payable to a creditor, and contemporaneously with, or any time after, the receipt of funds, authorizes the creditor to initiate a debit or debits to the consumer's deposit account by electronic fund transfer or a remotely created check or remotely created consumer item as defined in Section 36-3-103 (16). Transactions falling into the above category cannot exceed 12% APR. The provisions of sub item (b) do not apply to credit unions, bank holding companies, banks, or financial institutions insured by the Federal Deposit Insurance Corporation.
- (c) Retail sales contract. An entity performing retail sales transactions / contracts is not required to and will not be issued a supervised lender's license. See Title 37 Chapter 2 on the SCCPC.
- (d) Third party debt collectors. Entities that are collecting debts for other lenders
- (e) Passive debt buyers.

INSTRUCTIONS FOR APPLYING FOR A SUPERVISED LENDERS LICENSE

- The use of the word “bank” or derivatives of this word may not be used in the name of a Supervised Lender in the State of South Carolina pursuant to SC §34-3-10. APPLICATIONS WILL NOT BE PROCESSED.
- If a website will be used to take supervised loan applications or process payments electronically for supervised loans, a separate license will be required in addition to the license for the home office.
- A separate application and fee will be required for each website.
- The original Supervised Lender application form and all attachments must be mailed to the Division. A copy of the form should be retained by the applicant. The application must be submitted with **original signatures**. The application cannot be a photocopy, submitted electronically or by facsimile transmission. Send the initial license fee of \$200.00 and the investigation fee of \$100.00 for each application. One check may be submitted for the combined total (\$300 each application) payable to Consumer Finance Division. Money orders or checks (in the applicant’s name) are acceptable forms of payment.

Mailing Address:

SC Board of Financial Institutions
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<u>SCBFI Office Use Only</u>	
Check # _____	Check Amt. \$ _____
Master App Log# _____	Check Log# _____
Process: _____	
Assign for Investigation: _____	

APPLICATION FOR A SUPERVISED LICENSE
 Pursuant to Title 37-3-503 Code of Laws of South Carolina
<http://www.scstatehouse.gov/>

The application must be printed legibly or completed using the PDF form. The form with original signatures must be mailed to the Consumer Finance Division at the address listed above.

(1) Name of applicant (Corporation, Partnership or Individual, etc.):

Phone: _____ Fax: _____ Email: _____

(2) Mailing and physical address of applicant:

(3) Each location or website address (URL) must have its own supervised application. Select one of the below.

DBA name and street address:

OR

Website address (URL):

(4) Name and address of agent in South Carolina upon who process may be served:

(5) Attach a current managerial chart. For each officer, director, partner, office manager or anyone with a 5% or more ownership in the business submit the following: full name, official title, residence address, business address, date of birth, social security number and other occupation (if any). Please provide information for the past 5 years. If the company is owned by another entity, provide a chart showing the ownership structure.

(6) Has this applicant or any natural person listed in item (5) been convicted of any felony or misdemeanor involving fraud, misrepresentation, or deceit during the last ten years? Yes or No (If yes, give details):

(7) Has this applicant or any natural person listed in item (5) been the subject of any proceeding in this or any other state, to cancel, suspend or revoke a lending license or of any proceeding in which a regulatory authority or law enforcement agency alleged a violation of state or federal law? Yes or No (If yes, give details):

(8) Does any member, officer, director or employee of your organization have an interest in or a connection with any other license issued by this office?

(9) Submit an original signed Authorization to Release Information form on all owners and/or control persons (officers if a corporation; managing members(s) if an LLC) listed in item (5).

(10) Attach a copy of one of the following:
1. Corporate Charter if incorporated
2. Operating Agreement and Articles of Organization if a LLC
3. Partnership Agreement if partnership.

(11) Attach a copy of the Certificate of Authority to do business in South Carolina issued by the South Carolina Secretary of State. 803-734-2158.

(12) Attach a current financial statement and an official bank statement (within 30 days) showing liquid assets of at least \$25,000 are available for operation of business in South Carolina for each application submitted. The bank statement must be in the applicant's name and include the following: date, bank name, bank address, city, state, and zip, account holder name, last 4 digits of account number, account holder address, city, state, and zip, and liquid assets of \$25,000 for each application submitted. (Printed copies from the internet that does not include the above will not be acceptable.)

(13) Attach a list of the states, US Territory or Province in which the applicant/parent/holding company provides financial services under any name in any location. List the license or registration number along with licensed name and applicable state, US Territory, or Province. (If not licensed in any other state, US Territory or Province write NOT OPERATING IN ANY OTHER STATE, US TERRITORY OR PROVINCE.)

(14) Submit a copy of the lease and/or sublease agreement for location listed on line 3 that has been executed by an officer or authorized person of the applicant which includes the date, lessor, lessee and address the location.

(15) Submit Federal Identification Number if Corporation, LLC or Partnership. Submit social security number if Sole-Proprietorship.

(16) Submit an investigation fee (non-refundable) of \$100 for each application. Submit the license fee (refundable if application is denied) of \$200.00 for each application. One check may be submitted for \$300.00 payable to Consumer Finance Division.

(17) Submit a brief but detailed business plan that describes the company's operations in South Carolina. The plan must include the following or the application will be deemed incomplete:

- * **What is the amount of credit extended? (i.e. minimum and maximum)**
- * **What is the interest rate charged? (i.e. range and most common rate charged)**
- * **How and where will loans be closed & disbursed? (i.e. internet website, physical location, mail etc.)**
- * **Who will be the actual lender in the loan transaction(s)?**
- * **Who takes assignment and direct collection of loan(s) made?**
- * **Who will have enforcement rights on the loan transaction(s)?**
- * **Why the lending service offered by the applicant will promote the convenience and advantage of the borrowing community?**

(18) Does applicant have an internet website(s)?

(A) List all website addresses.

(B) List all names in which applicant will conduct business including any internet domain names.

(C) List the activities that will be occurring on the website (i.e. making supervised loans, taking complete applications, collecting payments electronically, advertising, lead generating).

(D) If the website will be used to take supervised loan applications or accept payments electronically for supervised loans, a separate application and fee will be required for each website. Please see the licensing of supervised internet lenders letter at www.consumerfinance.sc.gov. If website will only be used for advertising and or lead generation a separate application IS NOT NEEDED.

(19) Give full details of any business, other than making supervised loans, which will be conducted in this Office.

(20) Personal Reference Letters: If the applicant does not currently hold a supervised license with the Division, personal reference letters will be required.

- * Two (2) letters for each control person if the applicant is a Corporation or LLC.
- * Three (3) letters if the applicant is a partnership or sole proprietor.

The letter must be in writing and include the name and address of the person providing the reference. The following should be included in the letter:

1. A paragraph or sentence that explains how reference provider knows the applicant and the duration of their relationship.
2. A summary that explains why the reference provider would recommend the applicant and to what degree they would recommend them.

A reference letter cannot be from a relative and must be submitted with the license application.

(21) Submit the name, address, email and fax/phone number of a person to send any future complaints that may be filed by a consumer concerning this company.

Name:

Address:

Phone:

Fax:

Email address:

(22) Person to be contacted who has complete knowledge of this application and can answer all inquiries:

Name:

Address:

Phone:

Fax:

E-mail address

(23) Give name and address where the license is to be sent:

Name:

Contact Person:

Address:

City, State and Zip:

FALSE OR MISLEADING ANSWERS TO ANY OF THESE QUESTIONS SHALL BE GROUNDS FOR REVOCATION OF THE LICENSE.

For applicants operating as a sole proprietor, complete the following:

Signed (and officially sealed) this _____ day of _____ 20 _____.

NOTARY PUBLIC:

APPLICANT:

(Notary's Signature)

(Applicant's Signature)

(Print name of Notary)

(Print Applicant's name and title)

My Notary Commission expires _____ (NOTARY SEAL)

For applicants operating as a corporation or LLC, complete the following:

PROBATE

IN THE STATE OF _____)

IN THE COUNTY OF _____)

_____ being duly sworn, deposes and says that he signed the foregoing application
(Name of Person Signing Application)

as _____ of the above named applicant, having full authority to sign such application
(Job Title of Person Signing Application)

in said capacity; that he has read said application and to the best of his knowledge the information contained therein is true.

(Signature of Applicant)

Subscribed and sworn to before me this _____ day of _____ 20 _____

(Notary's Signature)

(NOTARY SEAL)

(Print Name of Notary)

My Notary Commission expires _____