

SHORT-TERM LENDER APPLICATION

Revised Code 1321.35 through 1321.48

<http://codes.ohio.gov/orc>

INSTRUCTIONS

AS AN APPLICANT FOR LICENSURE, IT IS YOUR LEGAL OBLIGATION TO BE AWARE OF, AND UNDERSTAND, THE PROVISIONS OF LAW PURSUANT TO WHICH THE LICENSE IS ISSUED AND MAINTAINED. IN HOLDING A LICENSE, YOU ARE EXPECTED TO BE AWARE OF, AND UNDERSTAND, THE PROVISIONS OF THE SHORT TERM LENDER ACT AND ANY RULES PROMULGATED PURSUANT TO THAT ACT. ALTHOUGH THE DIVISION OF FINANCIAL INSTITUTIONS (DIVISION) WILL BE PROACTIVE IN ALERTING THE INDUSTRY TO CHANGES IN LAW, POLICY AND PROCESSES, IT IS YOUR LEGAL OBLIGATION TO KEEP ABREAST OF THE LAW, POLICY, PROCESSES AND CHANGES THEREIN.

Applicants should pay special attention to the licensing provisions in the Revised Code and Administrative Code which contain the criteria and procedures for determining an Applicant's qualifications. Before issuing a license, the Division must make affirmative findings that the Applicant's financial responsibility, experience, character, and general fitness will command the confidence of the public and warrant the belief that the Applicant's business will operate honestly and fairly in compliance with the purposes of the applicable Revised Code and Administrative Code Chapters.

Applicants should also pay attention to the conduct standards in the Revised Code and Administrative Code Chapters that are imposed on you as a license holder. Conduct standards are affirmative duties and actions to which you must adhere to remain an active licensee. In addition, the Revised Code contains prohibitions – actions you must not take or engage in as a licensee.

- Each question on the APPLICATION must be answered honestly and completely. Any omission, untruthful answer or incomplete response may result in the denial of the Application or may result in subsequent legal action by the Division.
- If the space provided for any response is inadequate, complete the response on a separate sheet, specifying the question number to which it relates, and attach the sheet to the Application.

Mail completed Application Packets to:

Department of Commerce
Division of Financial Institutions
77 South High Street, 21st Floor
Columbus, Ohio 43215-6120
Telephone: (614) 728-8400

<http://www.com.state.oh.us/dfi/>

ATTACHMENTS

- The **Short-Term Lender License Application**;
 - The **\$1000** non-refundable application fee for each business location. There is also a one time, non-refundable **\$200** investigation fee for original applications. Checks should be made payable to the Division of Financial Institutions;
 - A **Company Resolution** indicating the natural person signing the APPLICATION, and other documents requiring signature has the company's authority to sign on behalf of and bind the company. NOTE: sole proprietors do not need to submit a Company Resolution;
 - A **Certificate of Good Standing** from the Ohio Secretary of State dated within 60 days of application. If an Applicant is domiciled or has its principal place of business outside Ohio, attach a **Certificate of Good Standing** or equivalent from the state or country of domicile or principal place of business;
 - If the Applicant will use a **trade, fictitious or alternative business name**, a copy of the Certificate of Authority issued by the Ohio Secretary of State to use the trade, fictitious or alternative business name;
 - If Applicant seeks to maintain records at a location other than the licensed location, Applicant must submit a separate **written letter of request seeking approval from the Division**. See Question 7;
 - Licensees must seek **prior** approval from the Division to maintain records of the Short-Term Lender business exclusively in electronic format. This request must be in writing.
 - **Audited or attested financial statement dated within 90 days of application to substantiate net worth requirements pursuant to Revised Code 1321.37(B)(2) AND a surety bond in the amount of \$100,000. In the case of a nonprofit corporation incorporated under Revised Code Chapter 1702, a surety bond in the amount of \$50,000. (See Revised Code 1321.37(D));**
 - An **Individual Disclosure Form** for sole proprietors and **all natural persons** listed in Question 11 of the APPLICATION. At the discretion of the Division, certain employees may also have to submit an Individual Disclosure Form to the Division. Persons completing an Individual Disclosure Form must be fingerprinted and have both **state and national criminal history background reports** compiled for submission to the Division. See the Background Check Instructions in the back of this packet for more information;
 - A **sample loan contract** in compliance with Revised Code 1321.39; and
 - Any **additional documentation** needed to provide a full response to questions OR as requested by the Division.
-

**AFFIX CHECK PAYABLE TO
OHIO DIVISION OF FINANCIAL INSTITUTIONS
HERE (Do not staple or use tape to affix check)**

<i>For DFI Use Only</i>
Issue Date _____
License Number _____

Short-Term Lender License Application
Revised Code 1321.35 to 1321.48
<http://codes.ohio.gov/orc>

1. Full Name of Applicant: _____

2. Fictitious Name, Trade Name or DBA, if applicable: _____
Has Applicant ever conducted business under any other name? Yes No If yes, please provide name(s): _____

3. Federal Tax ID Number/Social Security Number of Applicant: _____

4. Address Where Business is to be Conducted: _____

City _____ State _____ County _____ Zip Code _____

Business Telephone Number: (_____) _____ Business Fax Number: (_____) _____

Website Address: _____

Business E-Mail Address: _____

Is Business Address a Residence: Yes No Municipal Corporation: _____

Will any other business be operated at this location? Yes No If yes, list nature of business: _____

5. Mailing Address, if Different from Above: _____

City _____ State _____ County _____ Zip Code _____

Business Telephone Number, if Different From Above: (_____) _____

6. Indicate Nature of Applicant : Individual/Sole Proprietor Corporation General Partnership
 Limited Partnership Limited Liability Company Limited Liability Partnership Other

If Other, Please Explain: _____

7. Location where Applicant proposes to retain required records: _____

Street

City _____ State _____ Zip Code _____

If this location is NOT the main office or a branch office location in Ohio, you must attach a letter requesting approval to maintain records at this location.

8. Has the Applicant ever received **notice of the intent to impose** any type of action or sanction OR had any type of action or sanction imposed OR consented to any type of action or sanction imposed against it for **misconduct or any other reason by a**

federal or state regulatory or government agency? Examples of actions or sanctions contemplated by this question include revocation, surrender, refusal to renew, suspension, or denial of a license, registration or permit to conduct business, civil money penalties or fines, or cease & desist orders. Federal and state agencies use different terminology, so if you are unsure whether to include a matter, it is better to provide full disclosure.

Yes No If yes, furnish details: _____

9. Has Applicant, or, to the best of the Applicant's knowledge, has any five per cent shareholder/owner, member, partner, or employee of the applicant been charged with, convicted of or pleaded guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking, or any criminal offense involving money or securities; Yes No

Has Applicant, or, to the best of Applicant's knowledge, has any five per cent shareholder/owner, member, partner, or employee of the applicant been charged with, convicted of, or pleaded guilty to ANY misdemeanor or felony offense? Yes No

If yes, submit a detailed explanation of the facts and circumstances which gave rise to each charge, conviction or guilty plea, and for: (i) any conviction provide a certified copy of the journal entry evidencing the disposition of each charge; (ii) any guilty plea provide a certified copy of the plea agreement; and (iii) any pending criminal charges provide a certified copy of the indictment or criminal complaint.

10. Has Applicant or, to the best of the Applicant's knowledge, any shareholder/owner, member, partner, or employee of the Applicant been subject to any adverse judgment for conversion, embezzlement, misappropriation of funds, fraud, misfeasance or malfeasance, or breach of fiduciary duty? Yes No

If yes, furnish details. _____

11. Please list all Managing Members/General Partners/Limited Partners or LLP Members of the Applicant; Senior Officers; five per cent owners; and, each person's respective title and/or ownership interest. If authority of the company is vested in other persons, please include such persons in the list. **Attach additional page, if necessary.** For purposes of this question "owner" is a person OR entity/company that has an equity or ownership interest in the Applicant.

Name (if an entity, please provide state of origin)	Title	Percentage ownership
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

12. Not more than one place of business shall be maintained under the same license. However, the Division may issue additional licenses to the same Applicant. Please indicate if "branch office" applications are being submitted to the Division with this Short-Term Lender application: Yes No

13. Person to contact regarding this APPLICATION:

Name: _____

Title: _____

Telephone: _____

Fax: _____

E-mail: _____

ATTESTATION

- Under penalties of perjury, I, the undersigned, do hereby acknowledge and attest that this **SHORT-TERM LENDER LICENSE APPLICATION** and any attachments incorporated herein have been prepared by me and that these documents constitute a complete, truthful, and correct statement of information requested by the Ohio Division of Financial Institutions.
- I understand that any false or fraudulent representation or substantial misrepresentation may be grounds for denial of any license application pending with the Ohio Division of Financial Institutions or revocation of any license granted by the Division of Financial Institutions, and could result in other legal action initiated against me, including but not limited to criminal prosecution.
- On behalf of the APPLICANT, I further undertake that the APPLICANT herein understands that, in obtaining a license, the APPLICANT and its employees are familiar with, understand, and are bound by the applicable provisions of the Revised Code and Ohio Administrative Code.
- On behalf of the APPLICANT, I further understand that the Ohio Short-Term Lender Act and any administrative rules promulgated thereunder establish statutory conduct standards, affirmative duties and prohibitions in conjunction with the conduct of Short-Term Lender business.
- The APPLICANT understands and attests that the records of the Short-Term Lender business will be properly maintained at an approved location for at least two years after making the final entry on, or final revision of any loan document relative to, any loan recorded therein. A Short-Term Lender Licensee remains subject to this requirement after the cessation of business. See Revised Code 1321.422.

Signature

Date

Printed Name

ATTACHMENT for Question 11

Please list all Managing Members/General Partners/Limited Partners or LLP Members of the Applicant; Senior Officers; five per cent owners; and, each person’s respective title and/or ownership interest. If authority of the company is vested in other persons, please include such persons in the list. Attach additional sheets, if necessary. For purposes of this question “owner” is a person or entity that has an equity or ownership interest in the Applicant:

_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership
_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership
_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership
_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership
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_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership
_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership
_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership
_____ Name (if an entity, please provide state of origin)	_____ Title	_____ Percentage ownership

OHIO SHORT TERM LENDER SURETY BOND

The Principal herein has applied to the Ohio Division of Financial Institutions (Division), for a license to conduct business pursuant to the provisions of the Ohio Short Term Loan Act, Ohio Revised Code sections 1321.35 to 1321.48; and

Pursuant to Revised Code 1321.37(D), the Principal is REQUIRED to execute a Surety Bond in favor of the Superintendent of the Division, in the penal sum of AT LEAST ONE HUNDRED THOUSAND DOLLARS (\$100,000), or in the case of a qualified non-profit corporation under Revised Code Chapter 1702, in the penal sum of AT LEAST FIFTY THOUSAND DOLLARS (\$50,000). The term of the bond must coincide with the term of the license.

Know All Men By These Presents:

That the Principal: _____
Name of Principal

Doing Business As: _____

Located At: _____
Street Address City State Zip Code

And The Surety: _____
Name of Surety

Located At: _____
Street Address City State Zip Code

Are held and firmly bound unto the Superintendent of the Division, in the penal sum of: _____ (\$_____), pursuant to Revised Code 1321.37(D), for which payment will and truly be made. We, the Principal and Surety as identified above, bind ourselves, or heirs, executors and administrators, jointly and severally, firmly by these presents, for the exclusive benefit of any buyer injured by a violation by any employee, licensee or registrant of any provision of Revised Code Sections 1321.35 to 1321.48, until cancelled. NO CANCELLATION BY THIS SURETY SHALL BE EFFECTIVE UNLESS AND UNTIL WRITTEN NOTICE TO CANCEL THIS BOND HAS BEEN FILED WITH THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS FOR THE STATE OF OHIO, FOR A PERIOD OF NO LESS THAT THIRTY (30) DAYS PRIOR TO THE DATE FIXED IN THE CANCELLATION NOTICE. Liability for any act or omission by the Principal that occurs during the term of this bond shall be maintained and in effect for at least two years after the date on which the surety bond is terminated or cancelled. The aggregate liability of the Surety for any and all breaches of the conditions of this bond shall not exceed the penal sum of the bond.

In witness whereof we have duly executed the foregoing obligation:

Date Signed: _____

Effective Date: _____

Expiration Date: December 31, _____

Surety:

By: _____

Name: _____

COMPANY RESOLUTION

(To be adopted by all companies for the purpose of demonstrating that the person signing documents and forms filed with, or submitted to, the Division of Financial Institutions, Consumer Finance Section, has the company's authority to sign on behalf of the company. NOTE: it is not necessary for sole proprietors to submit a company resolution.)

(Name of Company)

AT A MEETING OF ITS _____ HELD AT _____
(members, partners, managers, trustees or board of directors)

ON THE _____ DAY OF _____, 20 __, PURSUANT TO LAWFUL NOTICE OR

WAIVER THEREOF, and at which meeting a quorum for the transaction of business was present, the

following was duly adopted:

“**BE IT RESOLVED**, that _____
(Name of Individual and Company Title)

or _____
(Name of Individual and Company Title)

Of _____
(Name of Company)

Be authorized and directed by the Company's members, partners, managers, trustees or board of directors, to execute and submit filings and forms for, and all acts amendatory thereof and supplemental thereto, the Company, to the Division of Financial Institutions.”

CERTIFICATION

The undersigned hereby certifies that he/she is the _____ Secretary of _____, a company organized and existing under the laws of the State of _____; that the foregoing is a true and correct copy of a resolution duly adopted at a meeting of the members, partners, managers, trustees or board of directors of the company held on _____ day of _____, 20 __, at which meeting a quorum was at all times present and acting; that the passage of said resolution was in all respects legal; and, that said resolution is in full force and effect.

By _____
(Company Secretary – Signature)

Date _____

Individual Disclosure Form

Filing Instructions:

The following natural persons must each submit a separate Individual Disclosure Form:

- Corporation:** Each senior officer, and any person who owns five per cent or more of the Applicant;
- Partnership:** Each managing partner, each senior officer, and any partner owning five per cent or more of the Applicant;
- L.L.C.:** Each managing member, each senior officer, and any member owning five per cent or more of the Applicant; and
- Sole Proprietor,** An unincorporated owner.

SEPARATE SHEETS SHOULD BE ATTACHED WHEN SPACE PROVIDED IS NOT SUFFICIENT. OMISSIONS MAY BE CONSTRUED AS AN INTENTIONAL FAILURE TO DISCLOSE A MATERIAL FACT AND MAY BE SUFFICIENT GROUNDS FOR DENIAL.

DO NOT LEAVE ANY QUESTION BLANK; IF A QUESTION IS NOT APPLICABLE, PLEASE PUT "NA".

Name of Applicant for Licensure

1. Name: _____

Full name of person completing this form

Other names person completing this form may have used , including maiden names: _____

Social Security Number: _____ Date of Birth: _____

Have any professional licenses been issued to you by the State of Ohio or any other state? Yes No If yes, please indicate the name of the issuing agency, the state of issuance and the license number: _____

2. Nature of relationship to Applicant – senior officer, partner, member, sole proprietor, person holding five per cent or more interest in Applicant: _____

3. Residential address for the last FIVE years.

From _____ To Present CURRENT ADDRESS _____

City _____ State _____ Zip _____

Telephone Number _____ E-mail address _____

From _____ To _____ Address _____

City _____ State _____ Zip _____

From _____ To _____ Address _____

City _____ State _____ Zip _____

From _____ To _____ Address _____

City _____ State _____ Zip _____

From _____ To _____ Address _____

City _____ State _____ Zip _____

4. Employment/ownership/experience/management history for the last FIVE years. List all employers or companies that the person completing this form (1) has been employed by or affiliated with, (2) had a five per cent or more ownership interest in, or (3) acted – with or without compensation - as an officer or director. All periods of time for the last FIVE years must be addressed—including periods of unemployment. Please be sure to include both the month and year - “From Mo/Yr To Mo/Yr”

From _____ To _____ Employer or Company _____

Address _____ City _____ State _____ Zip _____

Position _____ Duties or Interest _____

From _____ To _____ Employer or Company _____

Address _____ City _____ State _____ Zip _____

Position _____ Duties or Interest _____

From _____ To _____ Employer or Company _____

Address _____ City _____ State _____ Zip _____

Position _____ Duties or Interest _____

From _____ To _____ Employer or Company _____

Address _____ City _____ State _____ Zip _____

Position _____ Duties or Interest _____

5. Have you ever been discharged or requested to resign from any position? Yes No If yes, furnish details: _____

- 6(a). Have you ever received notice of the intent of a state or federal regulatory authority or court to impose sanctions OR had, or consented to, any type of approval, permit, or application to conduct business (such as a license or certificate of authority) **denied, revoked, surrendered, suspended, or refused to be renewed or have you ever been fined** by any state or federal regulatory authority or court in relation to any claim of misconduct in a business transaction? Yes No

- 6(b). To the best of your knowledge, have you ever been employed by, associated with, or affiliated with any business or company which has had, or consented to, a license, certificate, application, approval to conduct business, or any other type of authority, **denied, surrendered, revoked, suspended or refused to be renewed or has been fined** by any state or federal regulatory agency or court in relation to any claim of misconduct in a business transaction? Yes No

If you answered yes to either question 6(a) or 6(b), furnish details. Include dates, nature of offense(s), court, and disposition:

- 7(a) Have you ever been **charged with, convicted of, or pleaded guilty to**, any misdemeanor or felony offense? Yes No

- 7(b) To the best of your knowledge, have you ever been directly or indirectly connected with any business or company which has been convicted by any court of any wrongdoing in the transaction of business? Yes No

If you answered yes to either question 7(a) or 7(b), submit a detailed explanation of the facts and circumstances which gave rise to each incident **AND** for: (i) **any conviction** provide a certified copy of the journal entry evidencing the disposition of each charge; (ii) **any guilty plea** provide a certified copy of the plea agreement; and (iii) **any pending criminal charges** provide a

certified copy of the indictment or criminal complaint. **PLEASE NOTE THAT YOUR RESPONSE WILL BE COMPARED WITH CIVIL AND CRIMINAL HISTORY BACKGROUND CHECKS:**

8(a) Have you ever been a plaintiff or defendant in any **civil action**? Yes No

If yes, please list the nature of the action and when it occurred. Please also list the final outcome of the action.

8(b) To the best of your knowledge, have you ever been directly or indirectly connected with any company or business which has been subject to any adverse judgment for conversion, embezzlement, misappropriation of funds, fraud, misfeasance or malfeasance, or breach of fiduciary duty? Yes No

If you answered yes to either question 8(a) or 8(b), furnish details. Include dates, nature of offense(s), court, and disposition:

ATTESTATION

Under penalties of perjury, I, the undersigned, do hereby acknowledge and attest that this Individual Disclosure Form and any attachments incorporated herein have been prepared by me and that these documents constitute a complete, truthful, and correct statement of all information requested by the Ohio Division of Financial Institutions. I understand that any false or fraudulent representation or substantial misrepresentation may be grounds for denial of any license application pending with the Ohio Division of Financial Institutions or revocation of any license granted by the Division of Financial Institutions, and could result in other legal action initiated against me, including but not limited to criminal prosecution.

Signature

Date

Printed Name

Ohio Short-Term Lender Act Applicants
Background Check/Fingerprints Explanation and Instructions
Revised Code 121.08(K), 1321.37(B)

Criminal history background reports must be completed for licensure under the Ohio Short-Term Lender Act. Applicants must have (1) a national criminal history background report, (2) an “Ohio” criminal history background report from the Bureau of Criminal Identification and Investigation (BCII), and, if applicable, (3) a criminal history background report from EACH state in which they have resided or worked during the past 5 years. Criminal history background reports must be sent directly to the Division of Financial Institutions (DFI) from the provider you use for fingerprinting or the state or government agency compiling the report. DFI will not accept criminal history background reports submitted directly by the Applicants. Criminal history background reports are required for the following individuals:

- **Corporation**, each senior officer, and anyone who owns 5% or more of the business;
- **Partnership**, every partner and each senior officer;
- **L.L.C.**, each member and each senior officer;
- **Sole Proprietor**, an unincorporated owner; and
- In the Division’s discretion, certain employees.

DFI has entered agreements with independent providers for the electronic fingerprinting and scanning system known as “WebCheck” and “National WebCheck.” Each provider has a system that scans Applicants’ fingerprints and electronically transmits the prints to the BCII for review. The results of the records review are communicated to DFI by the provider or by BCII directly. The provider that takes fingerprints charges a processing fee for its service. Please note that the providers’ fees are not part of the DFI application/investigation fees.

You may view a current list of providers with which DFI has entered agreements by going to DFI’s web site located at <http://www.com.state.oh.us/dfi/MortgageBrokerLoanOfficerforms.aspx>. Please note that some providers may be able to accommodate your national FBI check, as well as your BCII check.

1) ALL Applicants – NATIONAL FBI CHECK: For the national background check, Applicants have two options:

- View the list at <http://www.com.state.oh.us/dfi/MortgageBrokerLoanOfficerforms.aspx> for providers that offer “National WebCheck” for electronic fingerprinting. This is the fastest method to obtain results.
- Request an FBI fingerprint card from DFI. Take the card to your local law enforcement agency to be printed. Mail the card along with a **money order or certified check for \$24 payable to “Treasurer, State of Ohio”** to:

Ohio Bureau of Criminal Identification and Investigation
Post Office Box 365
London, Ohio 43140

Cash, personal, third party or starter checks will not be accepted. There is a minimum 45 day turnaround for this option.

2) Ohio Residents/Applicants – BCII REPORT

You must obtain a background check from BCII in addition to a national FBI background check. View the list at <http://www.com.state.oh.us/dfi/MortgageBrokerLoanOfficerforms.aspx> for providers. **Remember, if you have lived or worked outside Ohio during the past 5 years, you will also need to obtain a state criminal history report from the law enforcement department in each state in which you have resided or worked.**

3) Out-of-State Applicants – STATE CRIMINAL HISTORY REPORTS

If your workplace or your place of residence has been located outside Ohio anytime during the last five years, you must furnish a state criminal history report from the law enforcement department **in each state in which you have resided or worked**, as well as a national background check. The state records check must be verified on the law enforcement department’s stationery or computer printout. The reporting agency must send the report directly to DFI.