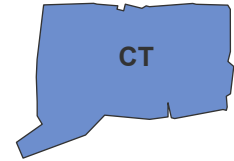




## Company Description

### Agency-Specific Requirements



## CONNECTICUT SMALL LOAN COMPANY LICENSE

### Who is required to have this license?

Any person engaging in the business of making loans of money or extensions of credit, or the purchases of, an advance of money on, borrower's future income where the following conditions are present: (a) the amount or value is fifteen dollars or less; and (b) the APR is greater than 12%. Future income means any future potential source of money, and expressly includes, but is not limited to, a future pay or salary, pension, pension or tax refund.

It includes any person, by any method, including, but not limited to, mail, telephone, Internet or other electronic means, unless exempt that:

- makes a small loan to a Connecticut borrower;
- offers, solicits, brokers, directly or indirectly arranges, places or finds a small loan for a prospective Connecticut borrower;
- engages in any other activity intended to assist prospective Connecticut borrowers in obtaining a small loan, including, but not limited to, generating leads;
- receives payments of principal and interest in connection with a small loan made to a Connecticut borrower;
- Purchases, acquire or receive assignment of a small loan made to a Connecticut borrower; and
- Advertises or causes to be advertised in this state a small loan or any of the services described above

### Who does not need the small loan company license?

- a licensed pawnbroker;
- a person licensed as a consumer collection agency in accordance with section 36a-801 when engaged in the activities of a consumer collection agency in the normal course of business;
- a person who services small loans for an exempt person described in subsection (b) of this section, when such exempt person owns the small loans, provided the servicing arrangements include, in addition to receiving payments of principal and interest in connection with the small loans, the provision of accounting, recordkeeping and data processing services;

- a passive buyer of a small loan. A "passive buyer" means a person who: (A) Has acquired a small loan for investment purposes from a person who is either licensed or exempt from licensure; (B) will receive the principal and interest and any other moneys due under the small loan through a person who is either licensed or exempt from licensure; and (C) has had and will have no

communications of any kind with the Connecticut borrower regarding the small loan it has acquired;

- a consumer reporting agency, as defined in Section 603(f) of the Fair Credit Reporting Act, 15 USC 1681a, as amended from time to time, when generating leads; and
- a retail seller who offers, extends or facilitates credit through an open-end or closed-end credit plan for the purchase of goods or services from such retail seller.
- Any bank, out-of-state bank, Connecticut credit union, federal credit union or out-of-state credit union, provided such bank or credit union is federally insured;
- Any wholly-owned subsidiary of such bank or credit union; and
- Any operating subsidiary where each owner of such operating subsidiary is wholly owned by the same bank or credit union.
- a licensed pawn broker

### **Pre-Requisites for License Applications**

Please see the [CT Small Loan Company License New Application Checklist](#).

**Note:** Prohibited practices include assisting or aiding and abetting any person in conduct prohibited by sections 36a-555 to 36a-573; employing any scheme, device or artifice to defraud or mislead any person; making, in any manner, any false, misleading or deceptive statement or representation or engaging in bait and switch advertising; or engaging in any unfair or deceptive practice toward any person or misrepresenting or omitting any material information.

**WHO TO CONTACT** – Contact Jean Wright at (860) 240-8209 or send your questions via e-mail to [jean.wright@ct.gov](mailto:jean.wright@ct.gov) for additional assistance.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.