



CT Debt Negotiation License New Application Checklist (Company)

EFFECTIVE OCTOBER 1, 2018, Section 36a-671(b) of the 2018 Supplement to the General Statutes, as amended by Section 67 of Public Act 173 requires activity subject to licensure to be conducted at an office in a state, as defined in section 36a-2. State means any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the trust territory of the Pacific Islands, the Virgin Islands and the Northern Mariana Islands.

CHECKLIST SECTIONS

- [General Information](#)
- [License Fees](#)
- [Requirements Completed in NMLS](#)
- [Requirements/Documents Uploaded in NMLS](#)
- [Requirements Submitted Outside of NMLS](#)

GENERAL INFORMATION

Who Is Required to Have This License?

This license is required for any person engaged or offer to engage in debt negotiation in this state. A person must obtain a license for its main office and for each branch office where such business is conducted in accordance with the provisions of sections 36a-671 to 36a-671f.

"Debt negotiation" means, for or with the expectation of a fee, commission or other valuable consideration, assisting a debtor in negotiating or attempting to negotiate on behalf of a debtor the terms of a debtor's obligations with one or more mortgagees or creditors of the debtor, including the negotiation of short sales of residential property or foreclosure rescue services.

A person is engaging in debt negotiation "in this state" if such person:

- Has its place of business located within this state;
- Has a place of business located outside of this state and the debtor is a resident of this state who negotiates or agrees to the terms of the services in person, by mail, by telephone or via the Internet; or
- Has its place of business located outside of this state and the services concern a debt that is secured by property located within this state.

Note: "debtor", "foreclosure rescue services", "mortgagee", "mortgagor", "residential property", and "short sale", and are further defined in Section 36a-671 of the C.G.S.

Mortgage Loan Originator License Requirement

Any individual who engages or offers to engage in debt negotiation of a residential mortgage loan on behalf of a mortgagor for compensation or gain must first obtain and annually maintain a mortgage loan originator license, unless exempt from such licensure. See Sections 36a-486(b), 36a-489, and Mortgage Loan Originator License Checklists.

Who does not need the debt negotiation license?

- Any attorney admitted to the practice of law in this state who engages or offers to engage in debt negotiation as an ancillary matter to such attorney's representation of a client;
- Any bank, out-of-state bank, Connecticut credit union, federal credit union or out-of-state credit union;
- Any wholly-owned subsidiary of any such bank or credit union;
- Any operating subsidiary where each owner of such operating subsidiary is wholly owned by the same such bank or credit union;
- Any person licensed as a debt adjuster pursuant to Sections 36a-655 to 36a-665, inclusive, of the Connecticut General Statutes while performing debt adjuster services;
- Any person acting under the order of a court; or
- Any bona fide nonprofit organization organized under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding Internal Revenue Code of the United States, as amended from time to time.

Activities Authorized Under This License

- Debt Negotiation
- Debt management/credit counseling
- Credit repair

Pre-Requisites for License Applications

- Bond Amount: \$50,000, if engaged or not engaged in the business of negotiating residential mortgage loans on behalf of mortgagors.
- Financial Statement: Financial Statement that is prepared by a CPA, which cannot be dated more than 12 months prior to the application date, must be provided via the NMLS
- Total License Cost: \$900 including NMLS processing fee

Connecticut Department of Banking does not issue paper licenses for this license type.

Document Uploads Guidance

Documents that must be uploaded to the *Document Uploads* section of the Company Form (MU1) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.

- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Contact Consumer Credit staff by phone at (860) 240-8225 or send your questions via email to dob.ccl@ct.gov for additional assistance.

*For U.S. Postal Service & Overnight Delivery:
Connecticut Department of Banking
Consumer Credit Division
260 Constitution Plaza
Hartford, CT 06103-1800*

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

NMLS ID Number	
Applicant Legal Name	

LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.

Complete	CT Debt Negotiation License	Submitted via...
<input type="checkbox"/>	CT License/Registration Fee: \$800 NMLS Initial Processing Fee: \$100	NMLS (Filing submission)
<input type="checkbox"/>	Credit Report for MU2 Individual: \$15 per person.	NMLS (Filing submission)
<input type="checkbox"/>	FBI Criminal Background Check for MU2 Individual: \$36.25 per person.	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS

Complete	CT Debt Negotiation License	Submitted via...
<input type="checkbox"/>	Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license through NMLS.	NMLS
<input type="checkbox"/>	Financial Statements: Upload an unaudited financial statement for which the financial data has been prepared by a CPA. Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant notes thereto. Click to download financial statement form. Note: Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the Financial Statements Quick Guide for instructions.	NMLS
<input type="checkbox"/>	Other Trade Name: If operating under a name that is different from the applicant’s legal name, that name (“Trade Name”, “Assumed Name” or “DBA”) must be listed under the <i>Other Trade Names</i> section of the Company Form (MU1). Connecticut does not limit the number of other trade names. It is the applicant’s responsibility to ensure that all names are properly registered with the required municipality or government agency, and that the name is reflected on the Surety Bond.	NMLS
<input type="checkbox"/>	Resident/Registered Agent: The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1) and must match the information currently on record with CT Secretary of the State.	NMLS

<input type="checkbox"/>	<p>Primary Contact Employees: The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> 1. Primary Company Contact 2. Primary Consumer Complaint Contact (Regulator) 	NMLS
<input type="checkbox"/>	<p>Non-Primary Contact Employees: An individual(s) should be identified as a Non-Primary Contact for the following areas. These contacts must be listed in the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> 1. Accounting 2. Exam Billing 3. Licensing 4. Consumer Complaint (Public) 5. Exam Delivery 6. Litigation 7. Consumer Complaint (Regulator) 8. Legal 9. Pre-Exam Contact 	NMLS
<input type="checkbox"/>	<p>Disclosure Questions: Upload complete details of all events or proceedings for each “Yes” response to the Disclosure Questions for the Company, each control Person and Qualifying Individual on NMLS Company Form and Individual Form. Upload copies of any applicable orders or supporting documents into appropriate Disclosure Explanations sections. Include official court documents for any judgment(s), felony or misdemeanor conviction(s) and all related documents for any outstanding judgment(s) or lien(s) including evidence of payment.</p> <p>See the Company Disclosure Explanations Quick Guide for instructions.</p>	Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).
Note	<p>Control Person means, “an individual that directly or indirectly exercises control over another person. Any person that (A) is a director, general partner or executive officer; (B) in the case of a corporation, directly or indirectly has the right to vote ten per cent or more of a class of any voting security or has the power to sell or direct the sale of ten per cent or more of any class of voting securities; (C) in the case of a limited liability company, is a managing member; or (D) in the case of a partnership, has the right to receive upon dissolution, or has contributed, ten per cent or more of the capital, is presumed to be a control person. For purposes of this subdivision, "control" means the power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract or otherwise.”</p>	N/A
<input type="checkbox"/>	<p>Direct Owner/Executive Officer and Control Person (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable person before it is able to be submitted along with the Company Form (MU1).</p>	NMLS

<input type="checkbox"/>	<p>Qualifying Individual: Must recognize an individual who is responsible for the actions of the licensee. Complete the Individual Form (MU2) in NMLS. This individual must be listed in the <i>Qualifying Individual</i> section of the Company Form (MU1).</p> <p>Note: The Qualifying Individual is required to meet <u>minimum criminal and credit background check requirements</u>. The individual will be required to authorize a criminal background check and credit report through NMLS.</p>	NMLS
<input type="checkbox"/>	<p>Qualifying Individual (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable qualified individual before it is able to be submitted along with the Company Form (MU1).</p>	NMLS
<input type="checkbox"/>	<p>Credit Report: Direct Owners/Executive Officers and the Qualifying Individual are required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).</p>	NMLS
<input type="checkbox"/>	<p>FBI Criminal Background Check Requirements: The following Individuals, as specified below, on the Company Form (MU1) are required to authorize an FBI criminal background check (CBC) through NMLS:</p> <p><i>Direct Owners/Executive Officers</i></p> <p><i>Qualifying Individuals</i></p> <p>After authorizing an FBI criminal background check through the submission of the Company Form (MU1) and Individual Form (MU2), you must schedule an appointment to be fingerprinted if new prints are required.</p> <p>See the Criminal Background Check section of the NMLS Resource Center for more information.</p> <p>Note: If you are able to 'Use Existing Prints' to process the FBI criminal background check, you DO NOT have to schedule an appointment. NMLS will automatically submit the fingerprints on file.</p>	NMLS
REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	CT Debt Negotiation License	Submitted via...

<input type="checkbox"/>	<p>Business Plan: Upload a business plan outlining the following information:</p> <ul style="list-style-type: none"> • Marketing strategies • Products • Target markets • Fee schedule • Operating structure the applicant intends to employ. <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</p> <p>Note: If the existing uploaded business plan already includes the above information, an additional document does not need to be uploaded.</p>	<p>Upload in NMLS: under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Certificate of Authority/Good Standing Certificate: Applicant must register with the Connecticut Secretary of the State as applicable.</p>	<p>Upload in NMLS:</p>
<input type="checkbox"/>	<p>Document Samples: Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> • Debt Negotiation Service Contract <p>This document should be named CT Debt Negotiation Service Contract.</p>	<p>Upload in NMLS: under the Document Type <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Formation Documents: Determine classification of applicant’s legal status and submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.</p> <p>General Partnership:</p> <ul style="list-style-type: none"> • Partnership Agreement (including all amendments) <p>Limited Liability Company:</p> <ul style="list-style-type: none"> • Articles of Organization (including all amendments) <p>Corporation:</p> <ul style="list-style-type: none"> • Articles of Incorporation (including all amendments) 	<p>Upload in NMLS: under the Document Type <u>Formation Document</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Management Chart: Submit a Management chart displaying the applicant’s directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure. If the existing uploaded management chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Surety Bond: Upload a copy of a fully executed Debt Negotiation surety bond in the amount of \$50,000 issued by a surety company authorized to conduct business in Connecticut. The bond must cover the main office and each additional branch office location must be listed on the addendum. The name of the principal insured on the bond must match exactly the Full Legal Name of applicant, including any Other Trade Names.</p> <p><i>If you are engaged in the business of negotiating residential mortgage loans on behalf of mortgagors: Click to download Secured Debt Negotiator bond form.</i></p> <p><i>If you are not engaged in the business of negotiating residential mortgage loans on behalf of mortgagors: Click to download Unsecured Debt Negotiator bond form.</i></p> <p>This document should be named <i>CT Debt Negotiation Surety Bond</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Surety Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
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REQUIREMENTS SUBMITTED OUTSIDE OF NMLS

Complete	CT Debt Negotiation License	Submitted via...
<input type="checkbox"/>	<p>Surety Bond: Submit the original bond in the amount described above.</p>	<p>Mail to the Connecticut Department of Banking</p>