



IL Debt Settlement Consumer Protection License Transition Checklist (Company)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Transition to NMLS

Companies holding the Illinois Department of Financial and Professional Regulation (IDFPR), Debt Settlement Consumer Protection License are required to submit a license transition request through NMLS by filing a Company Form (MU1) and an Individual Form (MU2) for each of their control persons March 31, 2019. The Debt Settlement licensee will be available in NMLS to submit the transition request starting February 1, 2019. The transition to NMLS for this license is *required*.

Additionally, for each Debt Settlement licensee holding Debt Settlement licenses for multiple location, a company must complete and submit a Branch Form (MU3) through NMLS.

Note: If you already have a record in NMLS and have submitted these forms in the past, you do not need to re-enter your company information into NMLS. You will only need to identify the business activities your company conducts and the states in which the various activities are conducted. Then, you will select the appropriate license in IL, and complete a few state-specific fields.

It is important that current licensees have the appropriate transition number available when completing and submitting their Company Form (MU1), so they are not charged a new application fee. Your seven (7) digits, Debt Settlement number will be required to transition to NMLS (i.e. DS.0000123).

Any licensee that needs to amend or surrender a license (or execute any other action previously completed in paper form must complete these actions within NMLS from February 1, 2019 onward. Paper forms will not be accepted after February 1, 2019. IDFPR encourages current licensees to update their information with the Department before February 1, 2019, so there will be no pending changes to submit at the time of transition.

Activities Authorized Under This License

This license authorizes the following activities...

- Debt Settlement / Debt Adjustment

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 transition.
- 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

- [Transitioning an Existing Company License Quick Guide](#)
- [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 *Division of Financial Institutions, Consumer Credit Section* licensing staff by phone at [\(312\) 814-5145](tel:3128145145) or send your questions via email to FPR.ConsumerCredit@illinois.gov for additional assistance.

For U.S. Postal Service & Overnight Delivery:

*IDFPR, Division of Financial Institutions
Consumer Credit Section
320 W Washington
Suite 550
Springfield, IL 62786*

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.

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

Complete	IL Debt Settlement Consumer Protection License	Submitted via...
Note	IL License/Registration Transition Fee: \$0 NMLS Initial Processing Fee: \$0	N/A
<input type="checkbox"/>	Credit Report for Control Persons: \$15.00	N/A

REQUIREMENTS COMPLETED IN NMLS

Complete	IL Debt Settlement Consumer Protection License	Submitted via...
<input type="checkbox"/>	<p>Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the transition request for the license/registration through NMLS.</p> <p>See the Transitioning an Existing License Quick Guide for instructions on how to submit the transition request.</p> <p>When selecting your license in the Company Form (MU1), you will be asked to enter your existing license number. Be sure to enter your current IDFPR Debt Settlement License Number.</p> <p>All current licensees/registrants must transition their license onto NMLS on or before March 31, 2019.</p>	NMLS
<input type="checkbox"/>	<p>Financial Statements: Upload an Unaudited financial statement for the most recent year end prepared by a Certified Public Accountant or Certified True And Correct and Signed by an executive officer in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end, and Balance Sheet and a Statement of Income as of the most recent quarter end. Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant notes thereto. If applicant is a start-up company, only an initial statement of condition is required.</p> <p>The financial statement must illustrate a company net worth of \$30,000.</p> <p>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.</p>	NMLS

<input type="checkbox"/>	<p>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). IDFPR does not limit the number of other trade names.</p> <p>If operating under an “Other Trade Name”, upload Copy of Application to Adopt, Change, or Cancel, an Assumed Name, from the Secretary of State in IL regarding ability to do business under that trade name.</p> <p>This document should be named <i>IL Debt Settlement License Trade Name – Assumed Name</i>.</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Resident/Registered Agent: The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1).</p>	<p>NMLS</p>
<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. 	<p>NMLS</p>
<p>Note</p>	<p>Non-Primary Contact Employees: IDFPR does not require any non-primary contacts to be listed in the <i>Contact Employees</i> section of the Company Form (MU1).</p>	<p>N/A</p>
<input type="checkbox"/>	<p>Bank Account: A separate bank (trust) account must be maintained in a federally insured depository institution for the purpose of depositing customer funds and making disbursements to creditors or transferring fees to the general account.</p> <p>Please complete the <i>Bank Account</i> section of the Company Form (MU1).</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Disclosure Questions: Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company or related control persons (MU2).</p> <p>See the Company Disclosure Explanations Quick Guide for instructions.</p>	<p>Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).</p>
<p>Note</p>	<p>Qualifying Individual: The <i>Qualifying Individual</i> section is not required to be completed for IDFPR on the Company Form (MU1).</p>	<p>N/A</p>
<input type="checkbox"/>	<p>Control Person (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable control person before it is able to be submitted along with the Company Form (MU1).</p>	<p>NMLS</p>
<p>Note</p>	<p>Credit Report: Individuals in a position of control are required to authorize a credit report through NMLS.</p>	<p>Upload in NMLS</p>

Note	MU2 Individual FBI Criminal Background Check Not Required Through NMLS: Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize a FBI criminal background check (CBC) through NMLS.	N/A
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REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	IL Debt Settlement Consumer Protection 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 licensee intends to employ. • Business History <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. A company should only upload a single business plan. If state-specific material is required, this information should be added to the existing uploaded business plan.</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: Upload a State-issued and approved document (typically by the Secretary of State’s office), dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in the licensee’s state of formation and/or IL.</p> <p>This document should be named <i>IL Certificate of Authority OR IL Certificate of Good Standing</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Company Staffing and Internal Policies: Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <ul style="list-style-type: none"> • List of Employees <p>This document should be named <i>[Name of Policy]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</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 Settlement Agreement for residents of IL <p>This document should be named <i>[Name of Document Sample]</i>.</p>	<p>Upload in NMLS: under <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Formation Documents: Formation Documents must be submitted related to this change type.</p> <p>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>Sole Proprietor</p> <ul style="list-style-type: none"> • County, city or municipality registration. <p>Unincorporated Association:</p> <ul style="list-style-type: none"> • By-Laws or constitution (including all amendments). <p>General Partnership:</p> <ul style="list-style-type: none"> • Partnership Agreement (including all amendments). <p>Limited Liability Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Partnership; and • Partnership Agreement (including all amendments). <p>Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Company (“LLC”):</p> <ul style="list-style-type: none"> • Articles of Organization (including all amendments); • Operating Agreement (including all amendments); • IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and • LLC resolution if authority not in operating agreement. <p>Corporation:</p> <ul style="list-style-type: none"> • Articles of Incorporation (including all amendments); • By-laws (including all amendments), if applicable; • Shareholder Agreement (including all amendments), if applicable; • IRS Form 2553 if S-corp treatment elected; and • Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable. <p>Not for Profit Corporation</p> <ul style="list-style-type: none"> • Documents requested of a Corporation; and • Proof of nonprofit status <ul style="list-style-type: none"> ○ Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or ○ statement from a State taxing body or the State attorney general certifying that: (i) the entity is a nonprofit organization operating within the State; and (ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or ○ entity's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant; or ○ Any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State or parent organization that the applicant is a local nonprofit affiliate. <p>Trust (Statutory)</p> <ul style="list-style-type: none"> • Certificate of Trust; and <p>Governing instrument (all amendments).</p>	<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> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p>
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<input type="checkbox"/>	<p>Management Chart: Submit a Management chart displaying the licensee’s directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure.</p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p> <p>Note: 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>Upload in NMLS: under <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Organizational Chart/Description: Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> • Direct Owners (total direct ownership percentage must equate to 100%) • Indirect Owners • Subsidiaries and Affiliates of the licensee <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p> <p>Note: If the existing uploaded Organizational Chart/Description 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>Upload in NMLS: under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Surety Bond: Submit company bond in the amount of \$100,000.00 furnished by a surety company authorized to conduct business in Illinois. The name of the principal insured on the bond must match exactly the full legal name of licensee, including any Other Trade Names. Click here for the Surety Bond Form.</p> <p>This document should be named <i>Debt Settlement Surety Bond</i>.</p>	<p>Upload in NMLS: under <u>Surety Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS		
<input type="checkbox"/>	<p>Credit Report Explanations: Submit a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last 3 years, repossessions, loan modifications, etc.</p> <p>Note: Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>

<input type="checkbox"/>	<p>Verification of Experience: Provide a license specific resume with detailed job descriptions and/or duties performed evidencing experience in the industry the company is applying for a license. Detailed job descriptions and duties with all employers need to be incorporated into a resume to demonstrate experience related to the specific state license being applied for. At minimum, the resume must include the last ten years of business experience in chronological order. State specific requirements include:</p> <ul style="list-style-type: none"> • List of courses taken that have prepared the individual for performing Debt Settlement Services. • Three (3) Letters of Recommendation from persons familiar with the applicant or the applicant’s business and setting forth that the applicant mentioned: is personally known to them to be trustworthy and reputable; has business experience qualifying for applicant to competently conduct, operate, own or become associated with a debt settlement provider; and has a good business reputation and is worthy of a license. <p>This document should be named <i>Verification of Experience- IL Debt Settlement License</i></p>	<p>Upload in NMLS: under the Document Type <u>Verification of Experience</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
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REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	IL Debt Settlement Consumer Protection License	Submitted via...
No items are required to be submitted outside of NMLS for this license/registration at this time.		