NY Budget Planner License Transition Checklist (Company)

CHECKLIST SECTIONS

GENERAL INFORMATION

Transition to NMLS

Companies holding the New York State Department of Financial Services (NY-DFS) Budget Planner License are able 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. The NY-DFS Budget Planner License will be available in NMLS to submit the transition request starting May 1, 2018. The transition to NMLS for this license is *optional.*

Additionally, for each branch holding a NY-DFS Budget Planner Branch License, a company must complete and submit a Branch Form (MU3) through NMLS. See the NY Budget Planner Branch License Transition Checklist for more information.

> **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 NY, and complete certain 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. When selecting your license in the Company Form (MU1), you will be asked to enter your existing NY-DFS license number. When entering your existing NY-DFS license number in NMLS, enter the numerals only. Do not include “BP.”

Any licensee that needs to amend or surrender a license (or execute any other action previously completed in paper form) may complete these actions within NMLS from May 1, 2018 onward. NY-DFS encourages current licensees to update their information with NY-DFS at least two weeks prior to requesting their license transition through NMLS, so there will be no pending changes to submit at the time of transition.

The license requirements for budget planners are found primarily in Article 12-C of the New York Banking Law (BL) and regulations thereunder. BL Section 579 provides:

> Only a charitable corporation as defined in paragraph (a) of section one hundred two (Definitions) of the not-for-profit corporation law of this state, or an entity incorporated in another state and having a similar not-for-profit status, shall engage in the business of budget planning as defined in subdivision

one of section four hundred fifty-five of the general business law of this state except as authorized by this article and without first obtaining a license from the superintendent.

Activities Authorized Under This License

This license authorizes the following activities…

- Bi-weekly payment processing services
- Debt management/credit counseling
- Debt negotiation
- Debt settlement/debt adjuster
- Non-mortgage loan modifications
- Other-Debt

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 NY-DFS licensing staff by phone at (212) 709-5507.

For U.S. Postal Service & Overnight Delivery:
New York State Department of Financial Services
Licensed Financial Services – BP
One State Street
New York, NY 10004-1511

LICENSE FEES - *Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.*		
Complete	**NY Budget Planner License**	**Submitted via…**
Note	**NY License/Registration Transition Fee:** $0 **NMLS Transition Processing Fee**: $0	**N/A**

REQUIREMENTS COMPLETED IN NMLS		
Complete	**NY Budget Planner License**	**Submitted via…**
☐	**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. See the Transitioning an Existing License Quick Guide for instructions on how to submit the transition request. ***When selecting your license in the Company Form (MU1), you will be asked to enter your existing license number. Be sure to enter your NY-DFS License Number. When entering your existing NY-DFS license number in NMLS, enter the numerals only. Do not include "BP."***	**NMLS**
☐	**Financial Statements:** Upload 3 most recent years **Audited** financial statements prepared by a Certified Public Accountant in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end. Financial statements should include a balance sheet, income and expense statement with the respective changes in fund balances, statement of cash flows, and all relevant notes thereto. The balance sheet data of the applicant must include the financial statement supplementary schedule information and an adequate response to the second page of the form which provides for describing contingent liabilities, suits, judgements, and other legal actions, title of assets, etc. If the applicant is a new corporation, and does not have a 3-year period of actual operations supported by audited financial data, then a pro-forma balance sheet and projection of income, expenses, changes in fund balances and a statement of cash flows is required. If 3 years of Audited financials are unavailable, please provide a list of creditor contributions and amounts, a list of other contributions and amounts, a list of all clients with fee and related amounts, a list of all salaries and benefits paid to directors, and adequate financial data on amounts paid by the applicant directly or on behalf of clients, or by clients after referral to any outside professional person such as attorneys, accountants, or consultants, etc. **Note**: Financial statements are uploaded separately under the Filing tab and *Financial Statement* submenu link. See the Financial Statements Quick Guide for instructions.	**NMLS**

☐	**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 *Other Trade Names* section of the Company Form (MU1). NY-DFS does not limit the number of other trade names. **Note:** Corporations, limited liability companies, and limited partnerships proposing to conduct business under an assumed name (e.g., DBA) must apply to the Secretary of State for authorization to do so. Individuals, general partnerships, and limited liability partnerships proposing to conduct business under an assumed name must apply to the County Clerk of each county in which the business will operate for permission to do so. In either case, certified copies of the applicable authorization must also be submitted. If operating under an "Other Trade Name," upload documentation regarding ability to do business under that trade name. This document should be named *[State-License Type] Trade Name – Assumed Name*	**NMLS** **Upload in NMLS:** under the Document Type Trade Name/Assumed Name Registration Certificates in the *Document Uploads* section of the Company Form (MU1).
☐	**Resident/Registered Agent:** The Resident/Registered Agent must be listed under the *Resident/Registered Agent* section of the Company Form (MU1). **Note:** The resident/registered agent is the entity that will receive service of legal process on behalf of your company in the state identified.	**NMLS**
☐	**Primary Contact Employees**: The following individuals must be entered into the *Contact Employees* section of the Company Form (MU1). 1. **Primary Company Contact.** 2. **Primary Consumer Complaint Contact.**	**NMLS**
☐	**Non-Primary Contact Employees**: NY-DFS **requires** that an individual(s) be identified as a **Non-Primary Contact** for the following areas. These contacts must be listed in the *Contact Employees* section of the Company Form (MU1). 1. Accounting 2. Licensing 3. Consumer Complaint (Public) 4. Consumer Complaint (Regulator) 5. Legal 6. Pre-Exam Contact	**NMLS**
☐	**Bank Account:** Bank account information must be completed for the company's Letter/Line of Credit, Operating, and/or Trust Primary accounts in the *Bank Account* section of the Company Form (MU1).	**NMLS**
☐	**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). See the Company Disclosure Explanations Quick Guide for instructions.	**Upload in NMLS** in the *Disclosure Explanations* section of the Company Form (MU1) or Individual Form (MU2).

☐	**Qualifying Individual:** Applicant, or officer, director, or manager for a license shall demonstrate to the superintendent's satisfaction that he/she has at least one year of experience in financial services or related field applicable to budget planning. This individual must be listed in the *Qualifying Individual* section of Company Form (MU1).	**NMLS**
☐	**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).	**NMLS**
Note	**Credit Report:** Unless you are otherwise instructed by NY-DFS, no credit reports are required to be submitted for this transition.	**N/A**
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**

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	**NY Budget Planner License**	**Submitted via…**
☐	**Surety Bond:** Unless otherwise specified by NY-DFS, submit the Company bond in the amount of no less than $250,000 furnished by a surety company authorized to conduct business in New York. The name of the principal insured on the bond must match exactly the full legal name of applicant, including any Other Trade Names. Click here to access the form. This document should be named *[License Type] Surety Bond*. In lieu of a surety bond, the applicant may elect to keep on deposit certain assets with a bank or similar institution so identified in Banking Law Section 580.4. Click here to access the form.	**Upload in NMLS:** under the Document Type Surety Bond in the *Document Uploads* section of the Company Form (MU1). **Note:** The licensee must ensure NY DFS has the original bond.

INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS
No individual (MU2) documents are required to be uploaded into NMLS for this license/registration at this time.

REGISTERING FOR NMLS TRANSITION TRAINING

This training is intended to help New York Budget Planner and Premium Finance Agency Licensees transition their existing company and branch licenses onto NMLS. This training is intended to help NY licensees transition their existing license(s) on to NMLS. The training will include an overview of the resources available, licensing requirements checklists that should be reviewed, and a demonstration of tasks that must be completed in NMLS.

April 30, 2018
2:00pm-4:00pm ET

Click here to register for the training. **There is no fee to participate. This session will be recorded.**

Note: Space is limited to 500 attendees and will be granted on a first come first served basis. If you are unable to attend the live session, you will be able to access the training's recording.