STATE OF CALIFORNIA
DEPARTMENT OF BUSINESS OVERSIGHT

TEXT OF PROPOSED CHANGES UNDER THE
CALIFORNIA FINANCE LENDERS LAW
PURSUANT TO NOTICE
DATED: DECEMBER 11, 2013

1. Section 1550 is amended to read:

§ 1550. Advertising: Submission for Examination.

(a) A finance company shall refer to its licensure under the California Finance Lenders Law in any written, printed, or oral communication, including any communication by means of recorded telephone messages, telephonic or electronic media, or spoken on radio, television or similar communications media, only by the following statement: "Loans made or arranged pursuant to a California Finance Lenders Law license."

(b) Any advertisement proposed to be used by a licensed mortgage lender, mortgage broker, mortgage lender and broker, or mortgage loan originator shall indicate the unique identifier of the mortgage lender, mortgage broker, mortgage lender and broker, or mortgage loan originator.

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22014, 22150, 22161, 22162, 22163, 22164, 22165, 22347 and 22755, Financial Code.

2. Section 1580 is repealed to read:

~~§ 1580. Notice of Changes to Finders: Reporting New or Change in Business Location of Finders.~~

~~(a) A licensee shall report any change to the information contained in the finder registration form to the California Corporations Commissioner within fifteen (15) days of the change. The notice shall be in writing and signed by the licensee.~~

~~(b) Any change in the business location of a finder registered with the Department, including a new location, shall include in the notice the physical address of the new or changed business location, the physical address of the previous business location, the effective date of the change, and the name and contact information, including telephone number, of an employee or employees of the finder who is or are responsible for the activities of the finder at that new or changed business location.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22356(b)(4) and 22357, Financial Code.~~

3. Section 1581 is repealed to read:

~~§ 1581. Application Under the Affordable Credit-Building Opportunities Program: Form.~~

~~(a) The application under the Affordable Credit-Building Opportunities program pursuant to Section 22349 of the Financial Code shall be filed upon the form set forth in subdivision (c) of this section.~~

~~(b) Within 30 calendar days from the receipt of the application, the Commissioner of Business Oversight shall inform the applicant in writing that the application is complete and the licensee is approved to participate in the program or disapproved, and if disapproved, the reason(s) for disapproval; or that the application is deficient and specify what information is required to complete the application.~~

~~(c) An application to make loans under the Affordable Credit-Building Opportunities program shall be submitted to the Commissioner of Business Oversight on the following form:~~

~~STATE OF CALIFORNIA~~

~~DEPARTMENT OF BUSINESS OVERSIGHT~~

~~INFORMATION ON THE APPLICATION FOR~~

~~THE PILOT PROGRAM FOR~~

~~AFFORDABLE CREDIT-BUILDING OPPORTUNITIES~~

~~UNDER THE CALIFORNIA FINANCE LENDERS LAW~~

~~The following is provided as general information for finance lenders licensed under the California Finance Lenders Law who wish to participate in the Pilot Program for Affordable Credit-Building Opportunities in accordance with Financial Code Section 22349.~~

~~GENERAL INFORMATION~~

~~Senate Bill 1146 (Chap. 640, Stats. 2010) was signed into law on September 30, 2010 and is operative January 1, 2011. The bill created the Pilot Program for Affordable Credit-Building Opportunities to increase the availability of affordable short-term credit and to expand credit-building opportunities for individuals.~~

~~Finance lenders who are license under the California Finance Lenders Law and approved by the Commissioner of Business Oversight to participate in the program may charge specified alternative interest rates and charges, including an administrative fee and delinquency fees, on loans of at least $250 and less than $2,500, subject to certain requirements. Licensees participating in the program are also permitted to use the services of a "finder" as defined in Section 22353(b) of the Financial Code.~~

~~APPLICATION TO PARTICIPATE IN THE PROGRAM~~

- ~~An application form to participate in the program may be obtained from any office of the Department of Business Oversight and from the website at www.dbo.ca.gov. The office locations are as follows:~~

~~320 W. 4th Street, Suite 750 Los Angeles, CA 90013~~

~~One Sansome Street, Suite 600 San Francisco, CA 94104~~

~~1515 K Street, Suite 200 Sacramento, CA 95814~~

~~1350 Front Street, Room 2034 San Diego, CA 92101~~

- ~~Questions regarding completing and filing an application should be directed to 1-866-275-2677.~~

- ~~Completed applications must be filed with the Los Angeles office. The application **MUST** be accompanied by **NON REFUNDABLE** fees as follows.~~

~~NUMBER OF LICENSED FINANCE LENDER LOCATIONS~~	~~APPLICATION FEE~~
~~1 to 10~~	~~$250~~
~~11 to 50~~	~~$450~~
~~51 to 100~~	~~$650~~
~~Over 100~~	~~$850~~

- ~~Within 30 calendar days from the receipt of the application, the Commissioner of Business Oversight shall inform the applicant in writing, that the application is complete and the licensee is approved to participate in the program or disapproved, and if disapproved, the~~

~~reason(s) for disapproval; or that the application is deficient and specify what information is required to complete the application.~~

~~CFL 1581 Information (Rev. 11/13)~~

~~APPLICATION FOR THE PILOT PROGRAM FOR~~

~~AFFORDABLE CREDIT-BUILDING OPPORTUNITIES~~

~~FOR LENDERS LICENSED UNDER THE~~

~~CALIFORNIA FINANCE LENDERS LAW~~

~~1. Name of Licensee:~~

_____

_____

~~Fictitious Business Name:~~

_____

_____

~~2. CFLL License Number:~~ _____

~~Primary Mailing (988) Number, if applicable:~~ _____

~~3. Mailing Address:~~ _____

_____

_____

~~4. Contact Person/Title: _____~~

~~5. Telephone Number: _____ Email Address: _____~~

~~6. Are you in good standing with the Commissioner of Business Oversight? Yes ☐ No ☐~~

~~If no, please attach an explanation, marked as Exhibit 1, and any documentation.~~

~~7. Do you have any outstanding enforcement actions or deficiencies with any government agency at the time of this application? Yes ☐ No ☐~~

~~If yes, please attach an explanation, marked as Exhibit 2, and documentation of the enforcement actions or deficiencies.~~

~~8. Has your credit education program or seminar been approved by the Commissioner of Business Oversight as required under Section 22352(g)(1) of the Financial Code?~~

~~Yes ☐, approved by the Commissioner of Business Oversight on [ ] (month/day/year)~~

~~No ☐, attached is the credit education program or seminar, marked as Exhibit 3, for the Commissioner of Business Oversight's review and approval.~~

~~No ☐, the credit education program or seminar will be submitted to the Commissioner of Business Oversight for review and approval at a later time. Licensee shall not offer any credit education program or~~

~~seminar that has not been previously reviewed and approved by the Commissioner of Business Oversight for use, and licensee shall not disburse loan proceeds to a borrower prior to offering an approved credit education program or seminar to the borrower.~~

~~9. Are you a data furnisher with a national credit reporting agency? Yes ☐ No ☐~~

~~If yes, provide the following information:~~

~~Name of Credit Reporting Agency~~	~~Date Accepted~~

~~10. Will you report to a national credit reporting agency the payment performance of each borrower on all loans made under this program as required under Section 22352(g)(2) of the Financial Code?~~

~~Yes ☐ No ☐~~

~~11. Do you plan to use the services of a finder as defined under Section 22353(b) of the Financial Code? Yes ☐ No ☐~~

~~If yes, please attach a list of the name of the finder(s), marked as Exhibit 4, and a completed Notification to Commissioner of Finder Registration for each finder, marked as Exhibit 5.~~

~~12. Provide the social security number of the applicant if an individual (sole proprietor), or the federal taxpayer identification number if a business entity other than a sole proprietorship, marked as Exhibit 6. The Department of Business Oversight is required to collect from all applicants social security numbers under Family Code Section 17520, and social security numbers or federal taxpayer identification numbers under Business and Professions Code Section 494.5. The social security number or federal taxpayer identification number is used to match the information to the names on the list provided by the Department of Child Support Services under Family Code Section 17520, and the lists of tax delinquencies provided by the State Board of Equalization and the Franchise Tax Board under Business and Professions Code Section 494.5. Any disclosed social security numbers or federal taxpayer identification numbers in the completed application will be considered confidential information, and will be filed and maintained as part of the confidential records not subject to public inspection. Refer to Commissioner's Release 2-G for further information concerning privacy protection of personal information.~~

~~The licensee has duly caused this application to be signed on its behalf by the undersigned, thereunto duly authorized.~~

~~The undersigned, on behalf of the licensee, acknowledges that this application and all exhibits thereto which are not designated as confidential are subject to public inspection pursuant to Section 250.9.1, Chapter 3, Title 10, California Code of Regulations. A request for confidentiality of certain documents may be requested pursuant to Section 250.10. If a request for confidential treatment is granted (or denied), the person making such request will be notified in writing.~~

~~The undersigned also acknowledges on behalf of the licensee that the State Board of Equalization and the Franchise Tax Board are authorized to share taxpayer information with the Department of~~

~~Business Oversight, and in the event the state tax obligation is not paid by a licensee after a license is issued, the Department of Business Oversight may be required to suspend the license (Business and Professions Code Sections 31 and 494.5).~~

~~I declare under penalty of perjury that I have read the foregoing application, including Exhibits attached thereto, or filed therewith, and know the contents thereof, and that the statements therein are true and correct. I further declare, on behalf of the licensee, that I have read and understand the Financial Code and regulations pertaining to the California Finance Lenders Law and the Pilot Program for Affordable Credit-Building Opportunities under the California Finance Lenders Law.~~

_____

~~(Licensee)~~

~~Executed at~~ _____ _____

~~(City, County, and State)~~ ~~(Signature of Declarant)~~

~~Date~~ _____ _____

~~(Typed Name of Declarant)~~

_____

~~(Title)~~

~~CFL 1581 (Rev. 11/13)~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22349 and 22349.1, Financial Code; and Sections 31 and 494.5, Business and Professions Code.~~

4. Section 1582 is repealed to read:

~~§ 1582. Finder Registration: Form.~~

~~(a) A licensee shall notify the Commissioner of Business Oversight within 15 days of entering into a contract with a finder on the form set forth in subdivision (c) of this section.~~

~~(b) Within 15 calendar days from the receipt of the finder registration form, the Commissioner of Business Oversight shall inform the licensee in writing, that the registration is complete and that use of the finder by the licensee is accepted or rejected, and if rejected, the reason(s) for the rejection; or that the registration is deficient and specify what information is required to complete the registration. A licensee shall not use an unregistered finder or a finder that has been rejected by the Commissioner of Business Oversight.~~

~~(c) Registration of a finder under the Affordable Credit-Building Opportunities program shall be submitted to the Commissioner of Business Oversight on the following form:~~

~~NOTIFICATION TO COMMISSIONER OF BUSINESS OVERSIGHT~~

~~OF FINDER REGISTRATION~~

~~(Required under Section 22357(a) of the Financial Code)~~

~~Instructions:~~

- ~~The finder registration form may be obtained from any office of the Department of Business Oversight and from the website at www.dbo.ca.gov. The office locations are as follows:~~

~~320 W. 4th Street, Suite 750~~	~~Los Angeles, CA 90013~~
~~One Sansome Street, Suite 600~~	~~San Francisco, CA 94105~~
~~1515 K Street, Suite 200~~	~~Sacramento, CA 95814~~
~~1350 Front Street, Room 2034~~	~~San Diego, CA 92101~~

- ~~Questions regarding completing and filing a finder registration form should be directed to 1-866-275-2677.~~

- ~~Completed finder registration forms must be filed with the Los Angeles Office.~~

- ~~Within 15 calendar days from the receipt of the finder registration form, the Commissioner of Business Oversight shall inform the licensee in writing, that the registration is complete and the finder is accepted to participate in the program or rejected, and if rejected, the reason(s) for rejection; or that the registration is deficient and specify what information is required to complete the registration.~~

~~1. Name of Licensee:~~

_____

~~2. Licensee's Business Address:~~ _____

_____

~~3. CFLL License Number:~~ _____

~~4. Name of Finder:~~

_____

~~5. Finder's Main Business Address: _____~~

~~_____~~

~~6. Have you entered into a written agreement with the finder as required under Section 22358 of the Financial Code? Yes ☐ No ☐~~

~~7. Does the written agreement include a provision that the finder agrees to comply with all regulations established by the Commissioner of Business Oversight concerning the activities of finders as required under Section 22358 of the Financial Code? Yes ☐ No ☐~~

~~8. Does the written agreement include a provision that the finder agrees to provide the Commissioner of Business Oversight access to all of the finder's books and records pertaining to the finder's operations under the agreement with the licensee? Yes ☐ No ☐~~

~~9. Provide the following information for an employee of the finder who is knowledgeable about, and has the authority to execute, the contract governing the business relationship between the finder and the licensee:~~

~~Name: _____~~

~~Address: _____~~

~~Telephone Number: _____ Email: _____~~

~~10. Attach a list, marked as Exhibit A, of the business addresses of all locations at which the finder will perform the services described in Section 22354(a) of the Financial Code. Any subsequent locations or changes to locations must be reported to the Commissioner of Business Oversight in accordance with Title 10, of the California Code of Regulations, Section 1580.~~

~~11. Attach a list, marked as Exhibit B, providing the name, title, physical business location, telephone number, and email of each employee responsible for the activities of the finder at each of its locations.~~

~~12. Attach a list, marked as Exhibit C, identifying the services and activities that the finder will perform for the licensee at the finder's physical location for business.~~

~~13. Attach a copy of the written agreement with the finder, marked as Exhibit D.~~

~~14. Attach a list, marked as Exhibit E, providing the social security number or federal taxpayer identification number of each finder named in item number 4 of the finder registration. The Department of Business Oversight is required to collect from all registrants social security numbers under Family Code Section 17520, and social security numbers or federal taxpayer identification numbers under Business and Professions Code Section 494.5. The social security number or federal taxpayer identification number is used to match the information to the names on the list provided by the Department of Child Support Services under Family Code Section 17520, and the lists of tax delinquencies provided by the State Board of Equalization and the Franchise Tax Board under Business and Professions Code Section 494.5. Any disclosed social security numbers or federal taxpayer identification numbers in the completed registration will be considered confidential~~

~~information, and will be filed and maintained as part of the confidential records not subject to public inspection. Refer to Commissioner's Release 2-G for further information concerning privacy protection of personal information.~~

~~The licensee has duly caused this registration to be signed on its behalf by the undersigned, thereunto duly authorized.~~

~~The undersigned, on behalf of the licensee, acknowledges that this registration and all exhibits thereto which are not designated as confidential are subject to public inspection pursuant to Section 250.9.1, Chapter 3, Title 10, California Code of Regulations. A request for confidentiality of certain documents may be requested pursuant to Section 250.10. If a request for confidential treatment is granted (or denied), the person making such request will be notified in writing.~~

~~The undersigned also acknowledges on behalf of the licensee that the State Board of Equalization and the Franchise Tax Board are authorized to share taxpayer information with the Department of Business Oversight, and in the event the state tax obligation is not paid by a registrant after a registration has been accepted, the Department of Business Oversight may be required to suspend the registration (Business and Professions Code Sections 31 and 494.5).~~

~~I declare under penalty of perjury that I have read the foregoing registration, including all exhibits attached thereto, or filed therewith, and know the contents thereof, and that the statements therein are true and correct.~~

_____

~~(Licensee)~~

~~Executed at~~ _____ _____

~~(City, County, and State)~~ ~~(Signature of Declarant)~~

~~Date~~ _____ _____

~~(Typed Name of Declarant)~~

_____

~~(Title)~~

~~EXHIBIT A~~

~~Business addresses of all locations at which the finder will perform the services described in Section 22354(a) of the Financial Code:~~

~~Street Address~~	~~City~~	~~State~~	~~Zip Code~~

~~EXHIBIT A~~

~~EXHIBIT B~~

~~Name and contact information of the employee responsible for the activities of the finder at each of its locations:~~

~~Name of Employee~~	~~Title~~	~~Physical Business Location~~	~~Telephone No.~~	~~Email~~

~~EXHIBIT B~~

~~**EXHIBIT C**~~

~~Licensee Name: _____ License No: _____~~

~~Services that a finder may perform for the licensee at the finder's physical location for business in accordance with Section 22354(a) of the Financial Code. Please check the box for the type of services that the finder will perform for the licensee:~~

☐ ~~Distributing, circulating, using, or publishing preprinted brochures, flyers, factsheets, or other written materials relating to loans that the licensee may make or negotiate and that have been reviewed and approved in writing by the licensee prior to their being distributed, circulated, or published.~~

☐ ~~Providing written factual information about loan terms, conditions, or qualification requirements to a prospective borrower that has been either prepared by the licensee or reviewed and approved in writing by the licensee. A finder may discuss that information with a prospective borrower in general terms, but may not provide counseling or advice to a prospective borrower.~~

☐ ~~Notifying a prospective borrower of the information needed in order to complete a loan application without providing counseling or advice to a prospective borrower.~~

☐ ~~Entering information provided by the prospective borrower on a preprinted or electronic application form or onto a preformatted computer database without providing counseling or advice to a prospective borrower.~~

- ~~Assembling credit application and other materials obtained in the course of a credit application transaction for submission to the licensee.~~

- ~~Contacting the licensee to determine the status of a loan application.~~

- ~~Communicating the licensee's underwriting decision to a borrower or a prospective borrower.~~

- ~~Obtaining a borrower's signature on documents prepared by the licensee, delivering the final copies of the documents to the borrower, and returning the signed original documents to the licensee.~~

~~**Services or activities that a finder shall not engage in accordance with Section 22354(b) of the Financial Code:**~~

1. ~~Providing counseling or advice to a borrower or prospective borrower.~~

2. ~~Providing loan related marketing material that has not previously been approved by the licensee to a borrower or a prospective borrower.~~

3. ~~Interpreting or explaining the relevance, significance, or effect of any of the marketing materials or loan documents the finder provides to a borrower or prospective borrower.~~

~~**A person who performs any of the following activities is a broker within the meaning of Section 22004 of the Financial Code and is required to obtain a broker's license:**~~

~~1. Negotiating the price, length, or any other loan term between a licensee and a prospective borrower.~~

~~2. Advising either a prospective borrower or a licensee as to any loan term.~~

~~3. Offering information pertaining to a single prospective borrower to more than one licensee, except that, if a licensee has declined to offer a loan to a prospective borrower and has so notified that prospective borrower in writing, the person may then offer information pertaining to a single prospective borrower to another licensee with which it has a finder's agreement.~~

~~4. Personally contacting or providing services to a borrower or prospective borrower at any place other than a finder's physical location for business, that has previously been reported to the Commissioner of Business Oversight.~~

~~Completed by: _____ _____~~

~~(Name and Title) (Date Completed)~~

~~CFL 1582 (Rev. 11/13) EXHIBIT C~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22351 and 22357(a), Financial Code; and Sections 31 and 494.5, Business and Professions Code.~~

5. Section 1583 is repealed to read:

~~§ 1583. Application Fee.~~

~~(a) The non-refundable filing fee for an application under the Affordable Credit-Building Opportunities program shall be the amount set forth in subsection (b), and paid to the Department~~

~~of Corporations at the time the application is filed with the California Corporations Commissioner.~~

~~(b) Filing Fee~~

~~NUMBER OF LICENSED FINANCE LENDER LOCATIONS~~	~~APPLICATION FEE~~
~~1 to 10~~	~~$250~~
~~11 to 50~~	~~$450~~
~~51 to 100~~	~~$650~~
~~Over 100~~	~~$850~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22349, Financial Code.~~

6. Section 1584 is repealed to read:

~~§ 1584. Annual Finder Registration Fee.~~

~~(a) The annual finder registration fee shall be based on the number of finders used by a licensee. The annual finder registration fee shall be the sum of the amounts set forth in subdivision (d) for each finder used by the licensee as reported to the California Corporations Commissioner at the time of notification of the annual finder registration fee in subdivision (b).~~

~~(b) On or before the 30th day of September in each year, the California Corporations Commissioner shall notify each licensee by mail of the amount of the annual finder registration fee and that amount shall be paid to the California Corporations Commissioner by October 31st. If payment is not made by October 31st, the California Corporations Commissioner shall assess~~

~~and collect a penalty, in additional to the fee, of 1 percent of the fee for each month or part of a month that the payment is delayed or withheld.~~

~~(c) If a licensee fails to pay the annual finder registration fee on or before the 31st day of October, the California Corporations Commissioner may terminate the licensee's authority to use the services of finders.~~

~~(d) Annual Finder Fee~~

~~IF A FINDER HAS THE FOLLOWING NUMBER OF LOCATIONS:~~	~~THE ANNUAL FEE FOR THAT FINDER IS:~~
~~Less than 10~~	~~$100~~
~~11 to 30~~	~~$150~~
~~31 to 50~~	~~$200~~
~~51 to 100~~	~~$250~~
~~101 to 200~~	~~$300~~
~~201 to 1000~~	~~$500~~
~~Over 1000~~	~~$1000~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22107(b) 22107(d), and 22357(b), Financial Code.~~

7. Section 1585 is repealed to read:

~~§ 1585. Annual Report: Form.~~

~~(a) Each licensee shall file an annual report as set forth in subdivision (b) of this section, with the California Corporations Commissioner, on or before the 15th of March, providing information concerning the business and operations conducted by the licensee under the Affordable Credit-Building Opportunities program, and information pertaining to each finder and~~

~~the licensee's relationship and business arrangements with each finder, during the preceding calendar year. The annual report required under this section is in addition to the annual report of the total business operations of a licensee required under Section 22159 of the Financial Code.~~

~~(b) The individual annual report required under Sections 22349.2 and 22357(c) of the Financial Code shall be submitted on the following form:~~

~~**STATE OF CALIFORNIA -- BUSINESS, TRANSPORTATION AND HOUSING AGENCY** **EDMUND G. BROWN Jr.,** ***Governor***~~

~~**DEPARTMENT OF CORPORATIONS**~~

~~***Business Services and Consumer and Investor Protection***~~

~~**INSTRUCTIONS FOR COMPLETING THE 20XX ANNUAL REPORT**~~

~~**FOR LICENSEES PARTICIPATING IN THE AFFORDABLE CREDIT-BUILDING**~~

~~**OPPORTUNITIES PROGRAM**~~

~~***WHO MUST FILE THE REPORT***: Every licensee under the California Finance Lenders Law approved by the California Corporations Commissioner to participate in the Affordable Credit-Building Opportunities (ACBO) pilot program shall file the annual report. The annual report shall include information on all business conducted under the ACBO pilot program.~~

~~***NO BUSINESS OR INACTIVE LICENSES*:** An annual report shall be filed even if no business was conducted under the license in 20XX. If no business was conducted under the ACBO pilot program during the calendar year 20XX, complete question numbers 1 through 10 and Verification section only. Include a statement at the bottom of the Verification section that **"No business was conducted under the ACBO pilot program during the calendar year 20XX." "**No business" means no loans were made under the ACBO pilot program in 20XX.~~

~~***WHEN IS THE REPORT DUE/ PENALTY FOR FAILURE TO FILE THE REPORT*:** The report is due on or before **March 15, 20XX. No extension of the filing date shall be granted. Failure to file the report may result in summary revocation of the California Finance Lenders Law license(s).~~

~~***WHAT IS THE PURPOSE OF THE ANNUAL REPORT*:** The information reported in the annual report is used to publish the Department of Corporations' *Annual Report - Operation of Finance Companies*. The information shall also be reported in the aggregate to specified committees of the California State Legislature as required under Senate Bill 1146 (Chap. 640, Stats. 2010).~~

~~***WHERE TO FILE THE REPORT*:**~~

~~DEPARTMENT OF CORPORATIONS~~

~~Financial Services Division~~

~~320 West Fourth Street, Suite 750~~

~~Los Angeles, CA 90013~~

~~***THE ANNUAL REPORT FORM*:** The information must be submitted on the annual report form prescribed by the Department of Corporations (Form CFL 1585-11/10). **ALL AMOUNTS MUST BE ROUNDED TO THE NEAREST WHOLE DOLLAR.** Do not add ".00" to represent rounding to the nearest dollar. In addition, do not round items to the nearest thousand or million dollars, or round intermediate calculations. The annual report is electronically scanned and therefore the information must be **TYPED** in the annual report form, and the **ORIGINAL** signed copy of the annual report shall be filed with the Department of Corporations.~~

~~***COMPLETENESS & ACCURACY:*** The annual report shall be rejected by the Department of Corporations and returned to the licensee if the information provided is incomplete or incorrect. All questions and schedules must be completed. If any schedule is inapplicable, indicate "Not Applicable" at the top of the page. The following schedules provide space to report on the activities of seven finders. Attach a supplemental page(s) if more space is needed or if more than seven finders were used. All information provided in the annual report is subject to verification. Accordingly, due care should be exercised in the completion of the report.~~

~~***PERIOD COVERED BY THE REPORT***: The reporting period is either (1) January 1, 20XX to December 31, 20XX, or (2) the effective date of approval to participate in the ACBO pilot program in 20XX to December 31, 20XX.~~

~~If any loans were made under the ACBO pilot program during the year 20XX, Schedules A through I must be completed. The following schedules provide space to report activities associated with seven finders. If no loans were made in 20XX, state "None" on the applicable schedules.~~

~~***SCHEDULE A (SCHEDULE OF APPLICATIONS TAKEN AND LOANS MADE BY SIZE):*** All loan applications taken and loans made must be scheduled in Section A. Multiple loans made to the same borrower are to be reported as separate loans transactions. Do not include loans that were not made under the ACBO pilot program. Report percentages to the nearest whole percentage (e.g. report .457 as 46, not 45.7 or 46%)~~

~~***SCHEDULE B (SCHEDULE OF LOANS BY INCOME DISTRIBUTION OF CENSUS TRACTS AND BORROWERS WITH BANK ACCOUNTS):*** Schedule loans by the following income~~

~~distribution of census tracts as defined under the federal Community Reinvestment Act (12 U.S.C. 2901) and the Federal Financial Institutions Examination Council:~~

~~If the Median Family Income % is < 50%, then the Income Level is **Low**.~~

~~If the Median Family Income % is >= 50% and < 80%, then the Income Level is **Moderate**.~~

~~If the Median Family Income % is >= 80% and < 120%, then the Income Level is **Middle**.~~

~~If the Median Family Income % is >= 120%, then the Income Level is **Upper**.~~

~~If the Median Family Income % is 0%, then the Income Level is **Not Known**.~~

~~Information on income distribution of census tract may be found at http://www.ffiec.gov/ and http://www.ffiec.gov/census/default.aspx~~

~~***SCHEDULE C & D (SCHEDULE OF LATE FEES CHARGED DURING THE YEAR BY SIZE & SCHEDULE OF LOANS MADE BY LOAN PURPOSE*)**.~~

~~***SCHEDULE E (SCHEDULE OF LOANS BY RATE CHARGES*)**: Report loans in Schedules E-1, E-2 & E-3 based on annual percentage rate (APR) calculated in accordance with Federal Reserve Board Regulation Z. Do not report loans in these schedules using the agreed upon contract rate.~~

~~***SCHEDULE F (SCHEDULE OF LOAN PERFORMANCE*)**: Report loans based on the number of payments past due. Do not report loans based on recency of payment.~~

~~***SCHEDULE G (SCHEDULE OF LOANS MADE BY LANGUAGE AND CREDIT EDUCATION PROGRAM OR SEMINAR OFFERED*)**: In column A, report the number of borrowers who were offered a credit education program or seminar in the same language in which the loan was negotiated.~~

~~If known, report in column B the number of borrowers who attended the offered credit education program or seminar.~~

~~***SCHEDULE H (SCHEDULE OF FINDERS BY LOCATION*):** Report all finders utilized during the calendar year 20XX.~~

~~***SCHEDULE I (RECOMMENDATIONS FOR IMPROVING THE PILOT PROGRAM):*** Provide any comments or information to help improve the program.~~

~~***COMPANIES WITH MULTIPLE LOCATIONS***: Companies with multiple locations shall prepare one annual report consolidating the information of all locations into the report.~~

~~***ANNUAL REPORT FORM AVAILABLE ON THE INTERNET*:** The annual report form is available in Adobe Acrobat format at the Department of Corporations' website. The form may be accessed by clicking on **Applications and Forms** on the Department of Corporations' homepage at "www.corp.ca.gov", and then clicking on **California Finance Lenders**.~~

~~The form may be downloaded from the Department of Corporations' website; however, THE REPORT CANNOT BE FILED ELECTRONICALLY. If the report is downloaded, it must be printed and submitted to the Department in paper form. Please be sure to include your license number on the annual report to prevent any delays in processing your annual report.~~

~~***VERIFICATION*:** The Verification section must be completed in accordance with the instructions by the licensed individual, a general partner if the licensee is a partnership, or a corporate officer if the licensee is a corporation. The Verification must include an original signature on the **original***~~

copy of the annual report filed with the Department of Corporations. **Incomplete Verification or a missing signature in the Verification shall result in rejection and return of the annual report to the licensee.**

***FEE*:** No fee is required to file the Annual Report.

***PUBLIC INSPECTION*:** The Department of Corporations shall prepare an annual consolidated report that aggregates the information received from each annual report submitted by licensees for the designated year. The annual consolidated report shall be available to the public.

FOR ASSISTANCE AND INFORMATION REGARDING THE ANNUAL REPORT: Contact the Department of Corporations at **(866) ASK-CORP (1-866-275-2677).**

CFL 1585 (11/10)

STATE OF CALIFORNIA -- BUSINESS, TRANSPORTATION AND HOUSING AGENCY **EDMUND G. BROWN Jr.,** ***Governor***

DEPARTMENT OF CORPORATIONS

Business Services and Consumer and Investor Protection

To: CALIFORNIA CORPORATIONS COMMISSIONER, STATE OF CALIFORNIA

ANNUAL REPORT FOR

CALIFORNIA FINANCE LENDERS LAW LICENSEES ENGAGED IN BUSINESS UNDER THE AFFORDABLE CREDIT-BUILDING OPPORTUNITIES (ACBO) PILOT PROGRAM

FOR THE YEAR ENDED DECEMBER 31, 20XX

~~THIS REPORT IS REQUIRED UNDER SECTIONS 22349.2 AND 22357 OF THE FINANCIAL CODE.~~

~~(PLEASE READ THE ATTACHED INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE ANNUAL REPORT.)~~

~~1. Name of licensee (as shown on the license): _____~~

~~2. License number: _____~~

~~3. Business phone number: ( ) _____~~

~~4. Fax number: ( ) _____~~

~~5. Website address: _____~~

~~6. Total number of licensed locations at which business was conducted under the ACBO pilot program as of December 31, 20XX: _____~~

~~7. Total number of finders used during the calendar year: _____~~

~~8. Total number of finder locations used during the calendar year: _____~~

~~9. Business was conducted under the ACBO pilot program during the calendar year 20XX: ☐ YES~~

~~☐ NO~~

~~10. Disclose by finder, the licensee's relationship, including ownership or other financial relationship, and business arrangement with each finder.~~

_____

_____

_____

_____

~~SCHEDULE A~~

~~SCHEDULE OF APPLICATIONS TAKEN AND LOANS MADE BY SIZE~~

~~FOR THE CALENDAR YEAR 20XX~~

~~A-1(a) Total Number of Application Taken and Loans Made Using A Finder~~

	~~Finder~~	~~Number of Applications Taken~~	~~Number of Loans Made~~		~~Total Principal Amount of Loans Made~~
~~1.~~				~~$~~	
~~2.~~					
~~3.~~					
~~4.~~					
~~5.~~					
~~6.~~					
~~7.~~					
	~~**Totals**~~			~~$~~	

~~A-1(b) Number of Applications Taken and Loans Made Without Using A Finder~~

	~~Number of Applications Taken~~	~~Number of Loans Made~~	~~Total Principal Amount of Loans Made~~
~~Totals~~			~~$~~

~~A-2(a) Number of Loans Made By Loan Size Using A Finder~~

	~~Finder~~	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Loans Made~~
~~1.~~					
~~2.~~					
~~3.~~					
~~4.~~					
~~5.~~					
~~6.~~					
~~7.~~					
	~~Totals~~				

~~A – 2(b) Number Of Loans Made By Loan Size Without Using A Finder~~

	~~Principal Balance $ 250 – 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Loans Made~~
~~Totals~~				

~~A-3(a) Number of Borrowers Who Obtained More Than One Loan Using A Finder~~

	~~Finder~~	~~Number of Borrowers Who Obtained More Than One Loan~~	~~Number of Borrowers With Credit Scores that Increased Over the Previous Loan~~	~~Percentage of Borrowers With Increased Credit Scores (e.g., .458=46)~~	~~Average Size of Increase In Credit Scores (Include Only Borrowers With Increased Scores)~~	~~Average Size of Increase/Decrease In Credit Scores For All Borrowers~~
~~1.~~				~~%~~		
~~2.~~						
~~3.~~						
~~4.~~						
~~5.~~						
~~6.~~						
~~7.~~						
	~~**Totals**~~			~~%~~		

~~A-3(b) Number of Borrowers Who Obtained More Than One Loan Without Using A Finder~~

	~~Number of Borrowers With Credit Scores that Increased Over the Previous Loan~~		~~Average Size of Increase In Credit Scores (Include Only Borrowers With Increased Scores)~~	
~~Number of Borrowers Who Obtained More Than One Loan~~		~~Percentage of Borrowers With Increased Credit Scores (e.g., .458=46)~~		~~Average Size of Increase/Decrease In Credit Scores For All Borrowers~~
~~Totals~~		~~%~~		

~~SCHEDULE B~~

~~SCHEDULE OF LOANS BY INCOME DISTRIBUTION OF CENSUS TRACTS~~

~~AND BORROWERS WITH BANK ACCOUNTS~~

~~FOR CALENDAR YEAR 20XX~~

~~B-1(a) Number of Loans By Income Distribution of Census Tract Using A Finder~~

	~~Finder~~	~~Low~~	~~Moderate~~	~~Middle~~	~~Upper~~	~~Not Known~~	~~Total Loans Made~~
~~1.~~							
~~2.~~							
~~3.~~							
~~4.~~							
~~5.~~							
~~6.~~							
~~7.~~							
	~~Totals~~						

~~B-1(b) Number of Loans By Income Distribution of Census Tract Without Using A Finder~~

	~~Low~~	~~Moderate~~	~~Middle~~	~~Upper~~	~~Not Known~~	~~Total Loans Made~~
~~Totals~~						

~~B-2(a) Number Of Loans Made To Borrowers With Bank Account(s) Using A Finder~~

	~~Finder~~	~~Number With Bank Account(s)~~	~~Number Without Bank Account(s)~~	~~Number of Borrowers Who Obtained More Than One Loan~~	~~Number of Borrowers With a Bank Account and Also Use Check Cashing Services~~	~~Number of Borrowers With a Bank Account and Also Use Payday Loan Services~~
~~1.~~						
~~2.~~						
~~3.~~						
~~4.~~						
~~5.~~						
~~6.~~						
~~7.~~						
	~~Totals~~					

~~B-2(b) Number Of Loans Made To Borrowers With Bank Account(s) Without Using A Finder~~

	~~Number With Bank Account(s)~~	~~Number Without Bank Account(s)~~	~~Number of Borrowers Who Obtained More Than One Loan~~	~~Number of Borrowers With a Bank Account and Also Use Check-Cashing Services~~	~~Number of Borrowers With a Bank Account and Also Use Payday Loan Services~~
~~Totals~~					

~~SCHEDULE C~~

~~SCHEDULE OF LATE FEES CHARGED DURING THE YEAR BY SIZE~~

~~FOR CALENDAR YEAR 20XX~~

~~C-1(a) Number Of Loans Made Using A Finder In Which Late Fee(s) Were Charged~~

	~~Finder~~	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Loans Made~~
~~1.~~					
~~2.~~					
~~3.~~					
~~4.~~					
~~5.~~					
~~6.~~					
~~7.~~					
	~~Totals~~				

~~C-1(b) Number Of Loans Made Without Using A Finder In Which Late Fee(s) Were Charged~~

	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Loans Made~~
~~Totals~~				

~~C-2(a) Number Of Late Fees Charged On Loans Made Using A Finder~~

~~Finder~~	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Loans Made~~
~~1.~~				
~~2.~~				
~~3.~~				
~~4.~~				
~~5.~~				
~~6.~~				
~~7.~~				
~~Totals~~				

~~C-2(b) Number Of Late Fees Charged On Loans Made Without Using A Finder~~

	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Loans Made~~
~~Totals~~				

~~C-3(a) Dollar Amount of Late Fees Collected On Loans Made Using A Finder~~

~~Finder~~	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Late Fees in Dollars~~
~~1.~~	~~$~~			~~$~~
~~2.~~				
~~3.~~				
~~4.~~				
~~5.~~				
~~6.~~				
~~7.~~				
~~Totals~~	~~$~~			~~$~~

~~C-3(b) Dollar Amount of Late Fees Collected On Loans Made Without Using A Finder~~

	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Total Late Fees in Dollars~~
~~Totals~~	~~$~~			~~$~~

~~C-4(a) Average Number of Late Fees Charged Per Loan Made Using A Finder~~

~~Finder~~	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 – 2,499~~	~~Overall Average~~
~~1.~~				
~~2.~~				
~~3.~~				
~~4.~~				
~~5.~~				
~~6.~~				
~~7.~~				
~~Totals~~				

~~C-4(b) Average Number of Late Fees Charged Per Loan Made Without Using A Finder~~

	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 - 2,499~~	~~Overall Average~~
~~Totals~~				

~~C-5(a) Percentage Of Loans Made With Late Fees Using A Finder~~

~~Finder~~	~~Principal Balance $ 250 – 499~~	~~Principal Balance $ 500 – 1,499~~	~~Principal Balance $1,500 - 2,499~~	~~Overall Percentage~~
~~1.~~	~~%~~	~~%~~	~~%~~	~~%~~
~~2.~~				
~~3.~~				
~~4.~~				
~~5.~~				
~~6.~~				
~~7.~~				
~~Totals~~				

~~C-5(b) Percentage Of Loans Made With Late Fees Without Using A Finder~~

	~~Principal Balance $ 250 - 499~~	~~Principal Balance $ 500 - 1,499~~	~~Principal Balance $1,500 - 2,499~~	~~Overall Percentage~~
~~Totals~~	~~%~~	~~%~~	~~%~~	~~%~~

~~SCHEDULE D~~

~~SCHEDULE OF LOANS MADE BY LOAN PURPOSE~~

~~FOR CALENDAR YEAR 200XX~~

~~D-1(a) Number Of Loans Made By Loan Purpose Using A Finder~~

~~Finder~~	~~Medical~~	~~Emergency~~	~~Vehicle Repair~~	~~Vehicle Purchase~~	~~To Pay Bills~~	~~Debt~~	~~or Repair Credit~~	~~or Services Other Than a Vehicle~~	~~Other~~
~~1.~~									
~~2.~~									
~~3.~~									
~~4.~~									
~~5.~~									
~~6.~~									

~~7.~~									
~~**TOTALS**~~									

~~**D-1(b) Number Of Loans Made By Loan Purpose Without Using A Finder**~~

	~~Medical~~	~~Emergency~~	~~Repair~~	~~Vehicle Purchase~~	~~To Pay Bills~~	~~Consolidate Debt~~	~~Credit Repair~~	~~Other Services Other Than a Vehicle~~	~~Other~~
~~**TOTALS**~~									

~~SCHEDULE E~~

~~SCHEDULE OF LOANS BY RATE CHARGES~~

~~FOR CALENDAR YEAR 20XX~~

~~E-1(a) Number of Loans Made Between $250 - $499 Using a Finder~~

~~Finder~~	~~Number of Loans Made Per Annual Percentage Rate (APR)~~								
	~~Up to 14.99%~~	~~15.00% - 19.99%~~	~~20.00% - 24.99%~~	~~25.00% - 29.99%~~	~~30.00% - 34.99%~~	~~35.00% - 39.99%~~	~~40.00% - 49.99%~~	~~50.00% or more~~	~~Total Loans Made~~
~~1.~~									
~~2.~~									
~~3.~~									
~~4.~~									
~~5.~~									
~~6.~~									
~~7.~~									
~~8.~~									

~~9.~~										
~~10.~~										
~~11.~~										
~~12.~~										
~~13.~~										
~~14.~~										
~~15.~~										
~~**Totals**~~										

~~E-1(b) Number of Loans Made Between $250 - $499 Without Using a Finder~~

~~Number of Loans Made Per Annual Percentage Rate (APR)~~								
~~Up to 14.99%~~	~~15.00% - 19.99%~~	~~20.00% - 24.99%~~	~~25.00% - 29.99%~~	~~30.00% - 34.99%~~	~~35.00% - 39.99%~~	~~40.00% - 49.99%~~	~~50.00% or more~~	~~Total Loans Made~~

~~**Totals**~~

~~**E-2(a) Number of Loans Made Between $500 - $1,499 Using a Finder**~~

~~Finder~~	~~Number of Loans Made Per Annual Percentage Rate (APR)~~								
	~~Up to 14.99%~~	~~15.00% - 19.99%~~	~~20.00% - 24.99%~~	~~25.00% - 29.99%~~	~~30.00% - 34.99%~~	~~35.00% - 39.99%~~	~~40.00% - 49.99%~~	~~50.00% or more~~	~~Total Loans Made~~
~~1.~~									
~~2.~~									
~~3.~~									
~~4.~~									
~~5.~~									
~~6.~~									
~~7.~~									
~~8.~~									
~~9.~~									
~~10.~~									

~~11.~~										
~~12.~~										
~~13.~~										
~~14.~~										
~~15.~~										
	~~**Totals**~~									

~~E-2(b) Number of Loans Made Between $500 - $1,499 Without Using a Finder~~

~~Number of Loans Made Per Annual Percentage Rate (APR)~~								
~~Up to 14.99%~~	~~15.00% - 19.99%~~	~~20.00% - 24.99%~~	~~25.00% - 29.99%~~	~~30.00% - 34.99%~~	~~35.00% - 39.99%~~	~~40.00% - 49.99%~~	~~50.00% or more~~	~~Total Loans Made~~

~~E-3(a) Number of Loans Made Between $1,500 - $2,499 Using a Finder~~

~~Finder~~	~~Number of Loans Made Per Annual Percentage Rate (APR)~~								
	~~Up to 14.99%~~	~~15.00% - 19.99%~~	~~20.00% - 24.99%~~	~~25.00% - 29.99%~~	~~30.00% - 34.99%~~	~~35.00% - 39.99%~~	~~40.00% - 49.99%~~	~~50.00% or more~~	~~Total Loans Made~~
~~1.~~									
~~2.~~									
~~3.~~									
~~4.~~									
~~5.~~									
~~6.~~									
~~7.~~									
~~8.~~									
~~9.~~									
~~10.~~									
~~11.~~									
~~12.~~									

~~13.~~										
~~14.~~										
~~15.~~										

~~Totals~~

~~E-3(b) Number of Loans Made Between $1,500 - $2,499 Without Using a Finder~~

~~Number of Loans Made Per Annual Percentage Rate (APR)~~								
~~Up to 14.99%~~	~~15.00% - 19.99%~~	~~20.00% - 24.99%~~	~~25.00% - 29.99%~~	~~30.00% - 34.99%~~	~~35.00% - 39.99%~~	~~40.00% - 49.99%~~	~~50.00% or more~~	~~Total Loans Made~~

~~Totals~~

~~SCHEDULE F~~

~~SCHEDULE OF LOAN PERFORMANCE~~

~~AS OF YEAR END 20XX~~

~~F-1(a) Number of Loans (using a Finder) With Past Due Payments and Percentage of Loans with Past Due Payments~~

~~Finder~~	~~NUMBER OF LOANS OUTSTANDING~~	~~NUMBER OF LOANS PAST DUE~~				~~PERCENTAGE OF LOANS PAST DUE~~			
		~~Current Loan~~	~~1 Payment Past Due~~	~~2 Payments Past Due~~	~~3 or more Payments Past Due~~	~~Current Loan~~	~~1 Payment Past Due~~	~~2 Payments Past Due~~	~~3 or more Payments Past Due~~
~~1.~~									
~~2.~~									
~~3.~~									
~~4.~~									
~~5.~~									
~~6.~~									
~~7.~~									
~~8.~~									
~~9.~~									

~~10.~~										
~~11.~~										
~~12.~~										
~~13.~~										
~~14.~~										
~~15.~~										
~~**Totals**~~										

~~**F-1(b) Number of Loans (not using a Finder) with Past Due Payments and Percentage of Loans with Past Due Payments**~~

~~NUMBER OF LOANS OUTSTANDING~~	~~NUMBER OF LOANS PAST DUE~~				~~PERCENTAGE OF LOANS PAST DUE~~			
	~~Current Loan~~	~~1 Payment Past Due~~	~~2 Payments Past Due~~	~~3 or more Payments Past Due~~	~~Current Loan~~	~~1 Payment Past Due~~	~~2 Payments Past Due~~	~~3 or more Payments Past Due~~
~~**Totals**~~								

~~SCHEDULE G~~

~~SCHEDULE OF LOANS MADE BY LANGUAGE AND CREDIT EDUCATION PROGRAM OR SEMINAR OFFERED~~

~~FOR THE CALANDER YEAR 20XX~~

~~G-1(a) Number of Loans Made Using a Finder (For columns A and B see instructions.)~~

~~LANGUAGE IN WHICH THE LOAN WAS NEGOTIATED ORALLY OR IN WRITING~~

~~Finder~~	~~English~~	~~A~~	~~B~~	~~Spanish~~	~~A~~	~~B~~	~~Chinese~~	~~A~~	~~B~~	~~Tagalog~~	~~A~~	~~B~~	~~Vietnamese~~	~~A~~	~~B~~	~~Korean~~	~~A~~	~~B~~
~~1.~~																		
~~2.~~																		
~~3.~~																		
~~4.~~																		
~~5.~~																		
~~6.~~																		

~~7.~~																			
~~8.~~																			
~~9.~~																			
~~10.~~																			
~~**Totals**~~																			

~~**G-1(b) Number of Loans Made Without Using a Finder (For columns A and B see instructions.)**~~

~~English~~	~~A~~	~~B~~	~~Spanish~~	~~A~~	~~B~~	~~Chinese~~	~~A~~	~~B~~	~~Tagalog~~	~~A~~	~~B~~	~~Vietnamese~~	~~A~~	~~B~~	~~Korean~~	~~A~~	~~B~~
~~**Totals**~~																			

~~**SCHEDULE H**~~

~~**SCHEDULE OF FINDERS**~~

~~**FOR CALENDAR YEAR 20XX**~~

~~FINDER~~	~~CONTACT PERSON~~	~~VOLUME OF BUSINESS IN LOAN $$~~	~~TYPE OF BUSINESS OPERATED BY FINDER (ex., grocery store, check casher)~~	~~AMOUNT OF FEES PAID TO FINDER~~	~~PROVIDE TYPE OF LICENSE & LICENSE NUMBER HELD BY FINDER (ex., check casher, pawn broker, etc.)~~	~~OWNERSHIP OR OTHER FINANCIAL RELATIONSHIP WITH LICENSEE (YES OR NO)~~	~~NUMBER OF BUSINESS LOCATIONS AT WHICH ACBO ACTIVITIES WERE CONDUCTED~~	~~BUSINESS ADDRESS (Street, City, State, & Zip Code)~~

~~SCHEDULE I~~

~~RECOMMENDATIONS FOR IMPROVING THE PILOT PROGRAM~~

~~Please provide any comments or information to help improve the program.~~

_____

_____

_____

_____

_____

_____

_____

_____

~~VERIFICATION~~

~~State of _____)~~

~~County of _____)~~

~~I, the undersigned, state: That I am an officer, a general partner or the sole proprietor, or have a position of similar proprietary interest of (*Insert name as shown on the license*)~~

_____

~~and I have read and signed the report and know the contents of the information filed herewith. I certify that the statistical information provided in this annual report is to the best of my knowledge true and exact.~~

~~Complete Section (A) OR Section (B) as appropriate.~~

~~(A) IF LOCATED IN CALIFORNIA OR IN A STATE WHICH PERMITS A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS NOT NECESSARY.~~

~~Date _____, _____ at _____, _____~~

~~(Month/Day) (Year) (City) (State)~~

~~I certify (or declare) under the penalty of perjury that the foregoing is true and correct.~~

_____ ~~Phone Number: ( ) _____~~

~~(Signature of Declarant)~~

_____ ~~Fax Number: ( ) _____~~

~~(Name and Title, type or print)~~

~~E-mail Address: _____~~

~~(B) IF LOCATED OUTSIDE OF CALIFORNIA IN A STATE WHICH DOES NOT PREMIT A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS REQUIRED.~~

~~Date _____, _____~~ _____

~~(Month/Day) (Year)~~ ~~Signature of Affiant~~

~~at _____~~ _____

~~(City)~~ ~~Name and Title (*Please type or print*)~~

_____

~~(State)~~ ~~Subscribed and sworn to before me on~~

_____, _____

~~Month/Date)~~ ~~(Year)~~

~~(Seal)~~ _____

~~Notary Public in and for said County and State~~

~~Phone Number: ( ) _____~~ ~~Fax Number: ( ) _____~~

~~E-mail Address: _____~~

~~CFL 1585 (11/10)~~

~~Note: Authority cited: Sections 22150 and 22159, Financial Code. Reference: Sections 22159, 22349.2, 22357(c) and 22715, Financial Code.~~

8. Section 1586 is repealed to read:

~~§ 1586. Additional Information Required to Complete the Annual Report.~~

~~(a) A licensee shall obtain and keep for every loan the following additional information, for purposes of reporting information in the annual report:~~

~~(1) Credit scores from at least one major credit bureau for each borrower who obtained more than one program loan (Section 22361(d)(5) of the Financial Code),~~

~~(2) Income distribution for each borrower, including the number of borrowers who obtained at least one program loan and who resided in a low-to-moderate-income census tract at the time of their loan application (Section 22361(d)(6) of the Financial Code), defined as a distressed/underserved tract under the federal Community Reinvestment Act (12 U.S.C. 2901) and based on census tract data published by the Federal Financial Institutions Examination Counsel.~~

~~(3) Borrowers' primary purpose in obtaining the loan, based on the borrower response at the time of the loan application, as follows (Section 22361(d)(7) of the Financial Code):~~

~~(A) Medical.~~

~~(B) Other emergency.~~

~~(C) Vehicle repair.~~

~~(D) Vehicle purchase.~~

~~(E) To pay bills.~~

~~(F) To consolidate debt.~~

~~(G) To build or repair credit history.~~

~~(H) To finance a purchase of goods or services other than a vehicle.~~

~~(I) Other.~~

~~(4) Whether the borrower has a bank account and if the borrower has a bank account, whether the borrower uses check-cashing services (Section 22361(d)(8) of the Financial Code) and/or payday loan services,~~

~~(5) Language in which the loan was negotiated orally or in writing, and whether the credit education program or seminar offered by the licensee was offered in that language, and~~

~~(6) If known, whether the borrower attended a credit education program or seminar offered by the licensee.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22349.2, 22352, 22357 and 22361, Financial Code.~~

9. Section 1587 is repealed to read:

~~§ 1587. Approval by the California Corporations Commissioner.~~

~~(a) A licensee shall either offer a credit education program or seminar to the borrower, or invite the borrower to a credit education program or seminar offered by an independent third party.~~

~~(b) The content of the credit education program or seminar shall provide information to help borrowers understand, build and manage consumer credit, including but not limited to, information on how installment loans work, interest charges, credit scores and the effect of credit scores on future financial decisions, costs of credit, effect of late or missed payments on credit scores, loan payment, understanding the credit reporting system and best practices for establishing and building good credit.~~

~~(c) Before offering any credit education program or seminar to a borrower, the licensee shall submit the following information in writing to the California Corporations Commissioner for his or her review and approval of the program or seminar:~~

~~(1) The name, address, telephone number and email address of the credit education program or seminar,~~

~~(2) Name, title and contact information of a contact person,~~

~~(3) Program's accreditation, if any,~~

~~(4) Format of the program (classroom, one-on-one, online, etc.),~~

~~(5) Address locations where the program or seminar will be held in California,~~

~~(6) Name, certifications, and resume of instructors,~~

~~(7) Licensee's relationship (business or personal) with any person employed or affiliated with the program or seminar,~~

~~(8) Language(s) in which the program or seminar is offered and whether the program or seminar is made available to every borrower in the language in which the loan contract is negotiated,~~

~~(9) Copy of program content and program curriculum and all materials used or distributed to the borrower in the program or seminar, in all offered languages, and~~

~~(10) Any additional information or materials provided to the borrower after the credit education program or seminar is offered or has been provided.~~

~~(d) Within 30 calendar days from the receipt of the information in subdivision (c) of this section, the California Corporations Commissioner shall inform the licensee in writing whether the credit education program is approved or disapproved for use.~~

~~(e) A licensee shall not offer to a borrower any credit education program or seminar that has not been previously reviewed and approved by the California Corporations Commissioner for use.~~

~~(f) A licensee shall maintain a file with the name and contact information on all credit education programs or seminars being offered to borrowers, and a copy of the program curriculum and all materials used or distributed in each program or seminar, in all offered languages, for purposes of compliance.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22352, Financial Code.~~

10. Section 1588 is repealed to read:

~~§ 1588. Licensee's Evidence of Compliance with Education Offer.~~

~~(a) A licensee shall offer in writing and at no cost to the borrower a credit education program or seminar, and provide the borrower with a list of one or more available credit education programs or seminars. The written offer shall include the name of the program or seminar, location of the program or seminar offered, and language in which the program or seminar was offered to the borrower. The licensee shall have the borrower initial and date the written offer, and the licensee shall retain a copy of the written offer with the borrower's initials and date acknowledging receipt in the file.~~

~~(b) A licensee shall include a copy of the written offer of a credit education program or seminar with any late notice provided to a borrower.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22352, Financial Code.~~

11. Section 1589 is repealed to read:

~~§ 1589. Licensee's Evidence of Compliance with Credit Reporting and Underwriting Standards.~~

~~(a) A licensee shall retain for every loan a copy of the following documents for compliance with credit reporting and loan underwriting standards:~~

~~(1) Evidence that the payment performance of each borrower, on every loan made to that borrower, is being reported to one or more of the national credit reporting agencies in the United States under Section 22352(g)(2) of the Financial Code.~~

~~(2) All evidence of loan underwriting under Section 22352(g)(3) of the Financial Code, including a copy of any information obtained through electronic means and relied upon in underwriting the loan.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22352, Financial Code.~~

12. Section 1590 is repealed to read:

~~§ 1590. Licensee's Duty to Verify Status of Finder Prior to Compensation.~~

~~(a) Before paying any finder, a licensee shall verify that the finder has not been barred from providing services at that location by the California Corporations Commissioner.~~

~~(b) The status of a finder is available at the Department's website at www.corp.ca.gov.~~

~~(c) A licensee shall be on notice that the licensee's finder has been barred upon issuance of an order by the California Corporations Commissioner barring that finder from the specified location(s).~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22356(b)(4), Financial Code.~~

13. Section 1591 is repealed to read:

~~§ 1591. Notice to Applicant Concerning Loan Interest and Right to Rescind.~~

~~(a) A licensee shall at the time of application provide the applicant with written notice under Section 22352(a)(3)(A) and (B) of the Financial Code, containing the following:~~

~~(1) the annual percentage rate, the periodic payment amount and the total finance charge, calculated as required by the Federal Reserve Board Regulation Z, as to a loan of an amount and term substantially similar to the loan applied for by the applicant, and~~

~~(2) that the applicant shall have the right to rescind the loan by notifying the licensee of the applicant's intent to rescind the loan and returning the principal advanced by the licensee, by the end of the business day following the date of the consummation of the loan.~~

~~(b) The licensee shall have the applicant initial and date the notice to acknowledge receipt, and the licensee shall retain in the file a copy of the notice with the applicant's initials and date acknowledging receipt.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22352, Financial Code.~~

14. Section 1592 is repealed to read:

~~§ 1592. Disclosure Notice to Applicant and to Borrower.~~

~~(a) At the time a finder receives or processes an application, the finder shall have the applicant initial and date as of that day the disclosure notice required under Section 22355(a) of the Financial Code, acknowledging receipt. The finder shall provide a copy of the disclosure notice to the applicant and retain in the file the original disclosure notice with the applicant's initials and date acknowledging receipt.~~

~~(b) The licensee shall either have the borrower re-initial and re-date a copy of the disclosure notice in subdivision (a) of this section acknowledging the borrower's receipt of the disclosure notice from the licensee on the day the loan is consummated, or use other such procedures established by the licensee to document that the licensee mailed a copy of the disclosure notice to the borrower within two weeks of the date of the loan consummation.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22355, Financial Code.~~

15. Section 1593 is repealed to read:

~~§ 1593. Books and Records of Finders: Standard for Keeping and Retention Period.~~

~~A licensee shall maintain all books, records, accounts and documents for at least two years after performing services, at the place(s) of business provided in the finder's registration form, including but not limited to, records demonstrating that the activities and services performed by the finder are in compliance with Section 22354 of the Financial Code, written disclosures used to provide notice to a borrower in compliance with subdivision (a)(3) of Section~~

~~22352 and Section 22355 of the Financial Code, written agreement between the licensee and finder under subdivision (a) of Section 22356 and Section 22358 of the Financial Code, and records of compensation paid to a finder in compliance with subdivision(b) of Section 22356 of the Financial Code.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22352, 22354, 22355, 22356, and 22358, Financial Code.~~

16. Section 1594 is repealed to read:

~~§1594. Services of Finders.~~

~~A finder receives or processes an application under Section 22355(a) of the Financial Code when the finder performs one or more of the services for a licensee under Section 22354(a) of the Financial Code.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22354(a), and 22355(a), Financial Code.~~

17. Section 1595 is repealed to read:

~~§1595. Counseling or Advice: Prohibited by Finder.~~

~~(a) A finder shall not provide counseling or advice to a borrower or prospective borrower under Section 22354(a)(2) and (b)(1) of the Financial Code.~~

~~(b) Counseling or advice means providing written or oral information to a borrower or prospective borrower that is specific to a loan or to the borrower's or prospective borrower's circumstances.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22354(a)(2) and 22354(b)(1), Financial Code.~~

18. Section 1596 is repealed to read:

~~§1596. List of Borrowers: Survey.~~

~~For purposes of conducting a survey of borrowers under subdivision (e) of Section 22361 of the Financial Code, a licensee shall upon request make available to the California Corporations Commissioner a list of all borrowers who participated in the program, regardless of whether a loan was consummated. The information shall include the name and contact information of the borrower, date of the transaction, loan information, location of business, and other such information as deemed necessary by the California Corporations Commissioner.~~

~~Note: Authority cited: Section 22150, Financial Code. Reference: Section 22361, Financial Code.~~

19. Section 1600 is adopted to read:

Article 14. Pilot Program for Increased Access to Responsible Small Dollar Loans.

Subarticle 1. General Provisions.

§ 1600. Notice of Changes to Finders: Reporting New or Change in Business Location of Finders.

(a) A licensee shall report any change to the information contained in the finder registration form to the Commissioner within fifteen (15) days of the change. The notice shall be in writing and signed by the licensee.

(b) Any change in the business location of a finder registered with the Department, including a new location, shall include in the notice the physical address of the new or changed business location, the physical address of the previous business location, the effective date of the change, and the name and contact information, including telephone number, of an employee or employees of the finder who is or are responsible for the activities of the finder at that new or changed business location.

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22374 and 22375, Financial Code.

20. Section 1601 is adopted to read:

§ 1601. Branch Manager.

(a) No licensee shall permit a branch manager to be responsible for more than one branch location without the approval of the Commissioner as provided in Financial Code Section 22378.

(b) A licensee shall file with the Commissioner a request to appoint one or more branch managers with responsibility for multiple branch locations. The request shall include the name of the branch manager and the branch address locations, and the information in Financial Code Section 22378 to allow the Commissioner to make a finding on the request.

(c) Within 15 calendar days from the receipt of a request, the Commissioner shall make a finding and inform the licensee in writing that the request is approved and if disapproved, the reason(s) for disapproval.

(d) Notwithstanding the Commissioner's approval to appoint a branch manager with responsibility for multiple branch locations, no licensee shall permit the same branch manager to manage any branch location in which loans not made under the pilot program are being offered at that location.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22378, Financial Code.

21. Section 1602 is adopted to read:

Subarticle 2. Application and Registration.

§ 1602. Application for the Pilot Program for Increased Access to Responsible Small Dollar Loans: Form.

(a) Except as provided in subsection (b), finance lenders licensed under the California Finance Lenders Law may apply to participate in the Pilot Program for Increased Access to Responsible Small Dollar Loans. The application for the Increased Access to Responsible Small Dollar Loans program pursuant to Section 22366 of the Financial Code shall be filed upon the form set forth in subsection (e).

(b) Licensees approved to participate in the former Pilot Program for Affordable Credit-Building Opportunities are transferred to and approved to participate in the Increased Access to Responsible Small Dollar Loans program, without filing the application in subsection (e).

(c) Within 30 calendar days from the receipt of the application, the Commissioner shall inform the licensee in writing, that the application is complete and the licensee is approved to participate in the program or disapproved, and if disapproved, the reason(s) for disapproval; or that the application is deficient and specify what information is required to complete the application. This subsection shall not apply to an applicant not licensed under the California Finance Lenders Law.

(d) Any person not licensed under the California Finance Lenders Law may apply concurrently for a license and to participate in the Increased Access to Responsible Small Dollar Loans program by completing a combined application form, which consists of the Application for a License Under the California Finance Lenders Law under Section 1422 of these rules and the Application for the Pilot Program for Increased Access to Responsible Small Dollar Loans Under the California Finance Lenders Law in subsection (e). The Commissioner shall concurrently review the combined application and within 45 calendar days, inform the applicant in writing that the application is complete and accepted for filing, or that the application is deficient and specify what information is required to complete the application. Within 60 calendar days from the filing of a complete combined application, the Commissioner shall reach a decision on the license and participation in the pilot program.

(e) An application to make loans under the Increased Access to Responsible Small Dollar Loans program shall be submitted to the Commissioner on the following form:

STATE OF CALIFORNIA

DEPARTMENT OF BUSINESS OVERSIGHT

INFORMATION ON THE APPLICATION FOR

THE PILOT PROGRAM FOR

INCREASED ACCESS TO RESPONSIBLE

SMALL DOLLAR LOANS

UNDER THE CALIFORNIA FINANCE LENDERS LAW

The following is provided as general information for finance lenders licensed, or seeking licensure under the California Finance Lenders Law (CFLL), that wish to participate in the Pilot Program for Increased Access to Responsible Small Dollar Loans in accordance with Financial Code Section 22366.

GENERAL INFORMATION

Senate Bill 318 (Chap. 467, Stats. 2013) was signed into law on October 1, 2013, and is operative January 1, 2014. The bill created the Pilot Program for Increased Access to Responsible Small Dollar Loans to increase the availability of responsible small dollar installment loans of at least $300 but less than $2,500.

Finance lenders who are licensed under the CFLL and approved by the Commissioner of Business Oversight (Commissioner) to participate in the program may charge specified alternative interest rates and charges, including an administrative fee and delinquency fees, on loans of at least $300 but less than $2,500, subject to certain requirements. Licensees participating in the program are also permitted to use the services of a "finder" as defined in Section 22371 of the Financial Code.

LICENSEES UNDER THE FORMER PILOT PROGRAM FOR AFFORDABLE CREDIT-BUILDING OPPORTUNITIES

Effective January 1, 2014, Senate Bill 318 abolished the former Pilot Program for Affordable Credit-Building Opportunities (Senate Bill 1146 – Chap. 640, Stats. 2010). Licensees approved to participate under the former pilot program are transferred to and approved to participate in the Pilot Program for Increased Access to Responsible Small Dollar Loans without filing the application.

APPLICATION TO PARTICIPATE IN THE PROGRAM

- An application form to participate in the program may be obtained from the following offices of the Department of Business Oversight and from the Web site at www.dbo.ca.gov. The office locations are:

320 W. 4th Street, Suite 750	Los Angeles, CA 90013
One Sansome Street, Suite 600	San Francisco, CA 94104
1515 K Street, Suite 200	Sacramento, CA 95814

1350 Front Street, Room 2034 San Diego, CA 92101

- Questions regarding completing and filing an application should be directed to 1-866-275-2677.

- Completed applications must be filed with the Los Angeles Office. The application **must** be accompanied by **NON REFUNDABLE** fees as follows.

NUMBER OF LICENSED FINANCE LENDER LOCATIONS	APPLICATION FEE
1 to 10	$250
11 to 50	$450
51 to 100	$650
Over 100	$850

- Within 30 calendar days from the receipt of the application, the Commissioner shall inform the licensee in writing, that the application is complete and the licensee is approved to participate in the program or disapproved, and if disapproved, the reason(s) for disapproval; or that the application is deficient and specify what information is required to complete the application.

- Any person seeking to participate in the Pilot Program for Increased Access to Responsible Small Dollar Loans and not already licensed under the California Finance Lenders Law must complete a combined application, which consists of the Application for a License Under the California Finance Lenders Law under Section 1422 of these rules

and the Application for the Pilot Program for Increased Access to Responsible Small Dollar Loans Under the California Finance Lenders Law. To be eligible to apply in this manner, there must be no outstanding enforcement or other disciplinary actions taken against the person by any of California's financial regulators or by a financial regulator of another state. The fees required for both applications shall be paid to the Department of Business Oversight at the time the combined application is filed with the Commissioner. The Commissioner shall concurrently review the combined application and within 45 calendar days from receipt of the combined application, inform the applicant in writing that the application is complete and accepted for filing, or that the application is deficient and specify what information is required to complete the application. Within 60 calendar days from the filing of a complete application, the Commissioner shall reach a decision on the license and participation in the pilot program.

APPLICATION FOR THE PILOT PROGRAM FOR

INCREASED ACCESS TO RESPONSIBLE SMALL DOLLAR LOANS

UNDER THE CALIFORNIA FINANCE LENDERS LAW

1. Name of Licensee (or Applicant):

_____

Fictitious Business Name:

_____

2. Mailing Address: _____

_____

3. Contact Person/Title: _____

4. Telephone Number: _____ Email Address: _____

5. CFLL License Number, if licensed under the CFLL: _____

Primary Mailing (988) Number, if applicable: _____

6. Are you in good standing with the Commissioner?

Yes ☐

No ☐, please attach an explanation, marked as Exhibit 1, and any documentation.

7. Do you have any outstanding enforcement actions or deficiencies with any government agency at the time of this application?

Yes ☐, please attach an explanation, marked as Exhibit 2, and documentation of the enforcement actions or deficiencies.

No ☐

8. If you are not licensed under the CFLL, do you have any outstanding enforcement or other disciplinary actions taken against you by any of California's financial regulators or by a financial regulator of another state?

Yes ☐, applicant is not eligible to apply concurrently for a license under the CFLL and to participate in the pilot program. Applicant must first apply for a CFLL license under Section 1422 of the rules.

No ☐, the Application for a License Under the California Finance Lenders Law is attached.

9. Has your credit education program or seminar been approved by the Commissioner as required under Section 22370, subdivision (f)(1), of the Financial Code?

Yes ☐, approved by the Commissioner on [ ] (month/day/year)

No ☐, attached is the credit education program or seminar, marked as Exhibit 3, for the Commissioner's review and approval.

No ☐, the credit education program or seminar will be submitted to the Commissioner for review and approval at a later time. Licensee shall not offer any credit education program or seminar that has not been previously reviewed and approved by the Commissioner for use, and licensee shall not disburse loan proceeds to a borrower prior to offering an approved credit education program or seminar to the borrower.

10. Are you a data furnisher with a consumer reporting agency that meets the definition in Section 603(p) of the federal Fair Credit Reporting Act (15 U.S.C. Sec. 1681a(p))?

Yes ☐, the following information is provided:

Name of Consumer Reporting Agency	Date Accepted
_____	_____
_____	_____
_____	_____

No ☐, licensee or applicant has not at this time been accepted as a data furnisher. Information is attached, marked as Exhibit 4, for the Commissioner's review and approval, that 1) licensee will be accepted as a data furnisher, once it achieves a lending volume required of data furnishers of its type by a consumer reporting agency, and 2) lending volume will be achieved within the first six months of the licensee commencing lending.

11. Will you report to a consumer reporting agency the payment performance of each borrower on all loans made under this program as required under Section 22370, subdivision(f)(2), of the Financial Code?

Yes ☐, licensee or applicant agrees to report all borrower payment performance from inception of lending under the program as soon as practicable after acceptance into the program, but no later than six months after acceptance into the program, and agrees to notify each borrower, as soon as practicable following acceptance as a data furnisher, the name of the consumer reporting agency or agencies to which the borrower's payment history will be reported.

No ☐

12. Do you plan to use the services of a finder as defined under Section 22371, subdivision (b), of the Financial Code?

Yes ☐, please attach a list of the name of the finder(s), marked as Exhibit 5, and a completed Notification to Commissioner of Business Oversight of Finder Registration for each finder, marked as Exhibit 6.

No ☐

13. Attach a list of branch managers by branch location, marked as Exhibit 7.

Is any branch manager responsible for more than one branch location?

Yes ☐, the request to the Commissioner for approval to appoint the branch manager(s) with responsibility for the identified multiple branch locations and the information required under Financial Code Section 22378 concerning the centralized nature of underwriting and other key business activities performed by the licensee, is attached for the Commissioner's review, marked as Exhibit 8.

No ☐

The licensee has duly caused this application to be signed on its behalf by the undersigned, thereunto duly authorized.

The undersigned, on behalf of the licensee, acknowledges that this application and all exhibits thereto are subject to public inspection pursuant to Section 250.9.1, Chapter 3, Title 10, California Code of Regulations. A request

for confidentiality of certain documents may be requested pursuant to Section 250.10. If a request for confidential treatment is granted (or denied), the person making such request will be notified in writing.

I declare under penalty of perjury that I have read the foregoing application, including Exhibits attached thereto, or filed therewith, and know the contents thereof, and that the statements therein are true and correct. I further declare, on behalf of the licensee, that I have read and understand the Financial Code and regulations pertaining to the California Finance Lenders Law and the Pilot Program for Increased Access to Responsible Small Dollar Loans under the California Finance Lenders Law.

_____

(Licensee)

Executed at _____ _____

(City, County, and State) (Signature of Declarant)

Date _____ _____

(Typed Name of Declarant)

_____

(Title)

CFL 1602 (1/14)

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22366, 22370, 22375 and 22378, Financial Code.

22. Section 1603 is adopted to read:

§ 1603. Finder Registration: Form.

(a) A licensee shall notify the Commissioner within 15 days of entering into a contract with a finder on the form set forth in subsection (c).

(b) Within 15 calendar days from the receipt of the finder registration form, the Commissioner shall inform the licensee in writing, that the registration is complete and that use of the finder by the licensee is accepted or rejected, and if rejected, the reason(s) for the rejection; or that the registration is deficient and specify what information is required to complete the registration. A licensee shall not use an unregistered finder or a finder that has been rejected by the Commissioner.

(c) Registration of a finder under the Increased Access to Responsible Small Dollar Loans program shall be submitted to the Commissioner on the following form:

NOTIFICATION TO COMMISSIONER OF BUSINESS OVERSIGHT OF FINDER REGISTRATION

(Required under Section 22375 of the Financial Code)

Instructions:

- The finder registration form may be obtained from the following offices of the Department of Business Oversight and from the Web site at www.dbo.ca.gov. The office locations are:

320 W. 4th Street, Suite 750	Los Angeles, CA 90013
One Sansome Street, Suite 600	San Francisco, CA 94104
1515 K Street, Suite 200	Sacramento, CA 95814
1350 Front Street, Room 2034	San Diego, CA 92101

- Questions regarding completing and filing a finder registration form should be directed to 1-866-275-2677.

- Completed finder registration forms must be filed with the Los Angeles Office.

- Within 15 calendar days from the receipt of the finder registration form, the Commissioner of Business Oversight (Commissioner) shall inform the licensee in writing, that the registration is complete and the finder is accepted to participate in the program or rejected, and if rejected, the reason(s) for rejection; or that the registration is deficient and specify what information is required to complete the registration.

1. Name of Licensee:

_____

2. Licensee's Business Address: _____

_____

3. CFLL License Number: _____

4. Name of Finder:

_____

5. Finder's Main Business Address: _____

_____

6. Have you entered into a written agreement with the finder as required under Section 22376 of the Financial Code? Yes ☐ No ☐

7. Does the written agreement include a provision that the finder agrees to comply with all regulations established by the Commissioner concerning the activities of finders as required under Section 22376 of the Financial Code? Yes ☐ No ☐

8. Does the written agreement include a provision that the finder agrees to provide the Commissioner access to all of the finder's books and records pertaining to the finder's operations under the agreement with the licensee?

Yes ☐ No ☐

9. Provide the following information for an employee of the finder who is knowledgeable about, and has the authority to execute, the contract governing the business relationship between the finder and the licensee:

Name: _____

Address: _____

Telephone Number: _____ Email: _____

10. Complete Exhibit A identifying the business addresses of all locations at which the finder will perform the services described in Section 22372, subdivision (a), of the Financial Code. Any subsequent locations or changes to locations must be reported to the Commissioner in accordance with Title 10, of the California Code of Regulations, Section 1600.

11. Complete Exhibit B providing the name, title, physical business location, telephone number, and email of each employee responsible for the activities of the finder at each of its locations.

12. Complete Exhibit C identifying the services and activities that the finder will perform for the licensee at the finder's physical location for business.

13. Attach a copy of the written agreement with the finder, marked as Exhibit D.

The licensee has duly caused this registration to be signed on its behalf by the undersigned, thereunto duly authorized.

The undersigned, on behalf of the licensee, acknowledges that this registration and all exhibits thereto are subject to public inspection pursuant to Section 250.9.1, Chapter 3, Title 10, California Code of Regulations. A request for confidentiality of certain documents may be requested pursuant to Section 250.10. If a request for confidential treatment is granted (or denied), the person making such request will be notified in writing.

I declare under penalty of perjury that I have read the foregoing registration, including all exhibits attached thereto, or filed therewith, and know the contents thereof, and that the statements therein are true and correct.

_____

(Licensee)

Executed at _____ _____

(City, County, and State) (Signature of Declarant)

Date _____ _____

(Typed Name of Declarant)

_____

(Title)

EXHIBIT A

Business addresses of all locations at which the finder will perform the services described in Section 22372, subdivision (a), of the Financial Code:

Street Address	City	State	Zip Code

EXHIBIT B

Name and contact information of each employee responsible for the activities of the finder at each of its locations:

Name of Employee	Title	Physical Business Location	Telephone No.	Email

EXHIBIT C

Licensee Name: _____ License No: _____

Services that a finder may perform for the licensee at the finder's physical location for business in accordance with Section 22372, subdivision (a), of the Financial Code. Please check the box for the type of services that the finder will perform for the licensee:

☐ Distributing, circulating, using, or publishing preprinted brochures, flyers, factsheets, or other written materials relating to loans that the licensee may make or negotiate and that have been reviewed and approved in writing by the licensee prior to their being distributed, circulated, or published.

☐ Providing written factual information about loan terms, conditions, or qualification requirements to a prospective borrower that has been either prepared by the licensee or reviewed and approved in writing by the licensee. A finder may discuss that information with a prospective borrower in general terms, but may not provide counseling or advice to a prospective borrower.

☐ Notifying a prospective borrower of the information needed in order to complete a loan application without providing counseling or advice to a prospective borrower.

☐ Entering information provided by the prospective borrower on a preprinted or electronic application form or onto a preformatted computer database without providing counseling or advice to a prospective borrower.

☐ Assembling credit applications and other materials obtained in the course of a credit application transaction for submission to the licensee.

☐ Contacting the licensee to determine the status of a loan application.

☐ Communicating a response that is returned by the licensee's automated underwriting system to a borrower or a prospective borrower.

☐ Obtaining a borrower's signature on documents prepared by the licensee, delivering the final copies of the documents to the borrower, and returning the signed original documents to the licensee.

Services or activities that a finder shall not engage in accordance with Section 22372, subdivision (b), of the Financial Code:

1. Providing counseling or advice to a borrower or prospective borrower.

2. Providing loan-related marketing material that has not previously been approved by the licensee to a borrower or a prospective borrower.

3. Interpreting or explaining the relevance, significance, or effect of any of the marketing materials or loan documents the finder provides to a borrower or prospective borrower.

A person who performs any of the following activities is a broker within the meaning of Section 22004 of the Financial Code and is required to obtain a broker's license:

1. Negotiating the price, length, or any other loan term between a licensee and a prospective borrower.

2. Advising either a prospective borrower or a licensee as to any loan term.

3. Offering information pertaining to a single prospective borrower to more than one licensee, except that, if a licensee has declined to offer a loan to a prospective borrower and has so notified that prospective borrower in writing, the person may then offer information pertaining to a single prospective borrower to another licensee with which it has a finder's agreement.

4. Personally contacting or providing services to a borrower or prospective borrower at any place other than a finder's physical location for business.

Completed by: _____ _____

(Name and Title) (Date Completed)

CFL 1603 (1/14)

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22369, 22372, 22375 and 22376, Financial Code.

23. Section 1604 is adopted to read:

~~Subarticle 3. Fees.~~

§ 1604. Application Fee.

(a) The non-refundable filing fee for an application under the Increased Access to Responsible Small Dollar Loans pilot program shall be the amount set forth in subsection (b), and paid to the Department of Business Oversight at the time the application is filed with the Commissioner.

(b) Filing Fee

NUMBER OF LICENSED FINANCE LENDER LOCATIONS	APPLICATION FEE
1 to 10	$250
11 to 50	$450
51 to 100	$650
Over 100	$850

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22366, Financial Code.

24. Section 1605 is adopted to read:

§ 1605. Annual Finder Registration Fee.

(a) The annual finder registration fee shall be based on the number of finders used by a licensee. The annual finder registration fee shall be the sum of the amounts set forth in subsection (d) for each finder used by the licensee as reported to the Commissioner at the time of notification of the annual finder registration fee in subsection (b).

(b) On or before the 30th day of September in each year, the Commissioner shall notify each licensee by mail of the amount of the annual finder registration fee and that amount shall be paid to the Commissioner by October 31st. If payment is not made by October 31st, the Commissioner shall assess and collect a penalty, in addition to the fee, of 1 percent of the fee for each month or part of a month that the payment is delayed or withheld.

(c) If a licensee fails to pay the annual finder registration fee on or before the 31st day of October, the Commissioner may terminate the licensee's authority to use the services of finders.

(d) Annual Finder Fee

IF A FINDER HAS THE FOLLOWING NUMBER OF LOCATIONS:	THE ANNUAL FEE FOR THAT FINDER IS:
Less than 10	$100
11 to 30	$150
31 to 50	$200
51 to 100	$250
101 to 200	$300
201 to 1000	$500
Over 1000	$1000

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22107, and 22375, Financial Code.

25. Section 1606 is adopted to read:

Subarticle 4. Reports.

§ 1606. Annual Report: Form.

(a) Each licensee shall file an annual report as set forth in subsection (b) of this section, with the Commissioner, on or before the 15th of March, providing information concerning the business and operations conducted by the licensee under the Increased Access to Responsible Small Dollar Loans program, and information pertaining to each finder and the licensee's relationship and business arrangements with each finder, during the preceding calendar year. The annual report required under this section is in addition to the annual report of the total business operations of a licensee required under Section 22159 of the Financial Code.

(b) The individual annual report required under Sections 22367 and 22375, subdivision (c), of the Financial Code shall be submitted on the following form:

DEPARTMENT OF BUSINESS OVERSIGHT

Ensuring a Fair and Secure Financial Services Marketplace for all Californians

INSTRUCTIONS FOR COMPLETING THE 20XX ANNUAL REPORT

FOR LICENSEES PARTICIPATING IN THE PILOT PROGRAM FOR INCREASED ACCESS TO RESPONSIBLE SMALL DOLLAR LOANS

WHO MUST FILE THE REPORT: Every licensee under the California Finance Lenders Law approved by the Commissioner of Business Oversight (Commissioner) to participate in the Pilot Program for Increased Access to Responsible Small Dollar Loans (RSDL pilot program) shall file the annual report. The annual report shall include information on all business conducted under the RSDL pilot program.

***NO BUSINESS OR INACTIVE LICENSES*:** An annual report shall be filed even if no business was conducted under the license in 20XX. If no business was conducted under the RSDL pilot program during the calendar year 20XX, complete question numbers 1 through 10 and the Verification section only. Include a statement at the bottom of the Verification section that **"No business was conducted under the RSDL pilot program during the calendar year 20XX." "**No business" means no loans were made under the RSDL pilot program in 20XX.

FORMER PILOT PROGRAM FOR AFFORDABLE CREDIT-BUILDING OPPORTUNITIES: Licensees that were approved by the Commissioner to participate in the former Pilot Program for Affordable Credit-Building Opportunities must report information on all business conducted under the pilot program during the calendar year ended December 31, 2013. The information shall be filed on the annual report form in Section 1606.1 of Title 10 of the California Code of Regulations.

***WHEN IS THE REPORT DUE/ PENALTY FOR FAILURE TO FILE THE REPORT*:** The report is due on or before **March 15, 20XX. No extension of the filing date shall be granted. Failure to file the report may result in summary revocation of the California Finance Lenders Law license(s).**

***WHAT IS THE PURPOSE OF THE ANNUAL REPORT*:** The information reported in the annual report is used to publish the Department of Business Oversight's *Annual Report - Operation of Finance Companies Participating in the Increased Access to Responsible Small Dollar Loans Program.* The annual consolidated report shall be posted on the Commissioner's Internet Web site at www.dbo.ca.gov by July 1, 2015, and by January 1, 2017, as required under Financial Code Section 22380, subdivision (a).

***WHERE TO FILE THE REPORT*:**

DEPARTMENT OF BUSINESS OVERSIGHT

Financial Services Division

320 West Fourth Street, Suite 750

Los Angeles, CA 90013

***THE ANNUAL REPORT FORM*:** The information must be submitted on the annual report form prescribed by the Department of Business Oversight [Form CFL 1606 (01/14)]. **ALL AMOUNTS MUST BE ROUNDED TO THE NEAREST WHOLE DOLLAR.** Do not add ".00" to represent rounding to the nearest dollar. In addition, do not round items to the nearest thousand or million dollars, or round intermediate calculations. The annual report is electronically scanned and therefore the information must be **TYPED** in the annual report form, and the **ORIGINAL** signed copy of the annual report shall be filed with the Department of Business Oversight.

***COMPLETENESS & ACCURACY*:** The annual report shall be rejected by the Department of Business Oversight and returned to the licensee if the information provided is incomplete or incorrect. All questions

and schedules must be completed. If any schedule is inapplicable, indicate "Not Applicable" at the top of the page. The following schedules provide space to report on the activities of seven finders. Attach a supplemental page(s) if more space is needed or if more than seven finders were used. All information provided in the annual report is subject to verification. Accordingly, due care should be exercised in the completion of the report.

PERIOD COVERED BY THE REPORT: The reporting period is either (1) January 1, 20XX to December 31, 20XX, or (2) the effective date of approval to participate in the RSDL pilot program in 20XX to December 31, 20XX.

SCHEDULES A THROUGH J

If any loans were made under the RSDL pilot program during the year 20XX, Schedules A through I must be completed. The following schedules provide space to report activities associated with seven finders. If no loans were made in 20XX, state "None" on the applicable schedules.

***SCHEDULE A (SCHEDULE OF APPLICATIONS RECEIVED AND LOANS MADE BY SIZE AND TERM)*:** All loan applications received and loans made must be scheduled in Section A. Multiple loans made to the same borrower should be reported as separate loans transactions. Do not include loans that were not made under the RSDL pilot program. Report percentages to the nearest whole percentage (e.g. report .457 as 46, not 45.7 or 46%). Report loans in Schedule A based on the terms of the loan at the time the loan was made. Report the distribution of loans per borrower in Schedule A-5, for those borrowers who obtained more than one program loan.

SCHEDULE B (SCHEDULE OF LOANS BY INCOME DISTRIBUTION OF CENSUS TRACTS AND BORROWERS WITH BANK ACCOUNTS): Schedule the number of loans by the income distribution of census tract of the borrowers at the time of the loan origination. Use the following federal Community Reinvestment Act (12 U.S.C. 2901) and the Federal Financial Institutions Examination Council:

If the Median Family Income % is < 50%, then the Income Level is **Low**.

If the Median Family Income % is >= 50% and < 80%, then the Income Level is **Moderate**.

If the Median Family Income % is >= 80% and < 120%, then the Income Level is **Middle**.

If the Median Family Income % is >= 120%, then the Income Level is **Upper**.

If the Median Family Income % is 0%, then the Income Level is **Not Known**.

Information on income distribution of census tract may be found at http://www.ffiec.gov/ and http://www.ffiec.gov/census/default.aspx

Report in Schedule B-2 information on the number of borrowers who, at the time of the loan application, self-reported that they had or did not have a bank account, self-reported that they had a bank account and used check-cashing services, and self-reported that they had a bank account and used payday loan services.

SCHEDULE C (SCHEDULE OF LATE FEES CHARGED DURING THE YEAR BY SIZE OF THE LOAN): Report the number of loans in which late fees were assessed in Schedule C-1 and the number of late fees assessed on the loans in Schedule C-2, the total dollar amount of late fees assessed on the loans in Schedule C-3, the average number of late fees assessed per loan in Schedule C-4, and the percentage of loans that were assessed late fees in Schedule C-5.

SCHEDULE D (SCHEDULE OF LOANS MADE BY LOAN PURPOSE):

Report the primary purpose of the loans based on borrower responses at the time of the loan applications.

***SCHEDULE E (SCHEDULE OF LOANS BY RATE CHARGES*)**: Report loans in Schedules E-1, E-2, E-3 and E-4 based on annual percentage rate (APR) calculated in accordance with Federal Reserve Board Regulation Z. Do not report in these schedules the agreed upon contract rate of the loan.

***SCHEDULE F (SCHEDULE OF LOAN PERFORMANCE)*:** Report loan performance based on delinquencies in the account history, and not on the loan's current status. The information on the percentage of delinquent borrowers must be reported in the schedules by length of the delinquency and principal loan amount.

***SCHEDULE G (SCHEDULE OF LOANS MADE BY LANGUAGE AND CREDIT EDUCATION PROGRAM OR SEMINAR OFFERED)*:** Report under the appropriate language column, the number of loans negotiated orally or in writing in that language. The languages are English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and Other. In column A, report the number of borrowers who were offered a credit education program or seminar in the same language in which the loan was negotiated. For example, if five loans were negotiated in English and all five borrowers were offered a credit education program or seminar in English, report "5" under the column labeled "English" and "5" in column A.

If known, report in column B the number of borrowers who attended the offered credit education program or seminar.

***SCHEDULE H (SCHEDULE OF FINDERS)*:** Report all finders utilized during the calendar year 20XX.

SCHEDULE I (SCHEDULE OF REFINANCE LOANS): For purposes of the RSDL pilot program, "refinance" means the replacement or revision of an existing loan contract with a borrower that results in an extension of additional principal to that borrower. A licensee shall not refinance a loan made under this pilot program, unless all of the following conditions are met at the time the borrower submits an application to refinance:

(a) The borrower has repaid at least 60 percent of the outstanding principal remaining on his or her loan.

(b) The borrower is current on his or her outstanding loan.

(c) The licensee underwrites the new loan in accordance with paragraph (4) of subdivision (f) of Financial Code Section 22370.

(d) If the loan proceeds of both the original loan and the refinance loan are to be used for personal, family, or household purposes, the borrower has not previously refinanced the outstanding loan more than once.

Loans made under the former Pilot Program for Affordable Credit-Building Opportunities and subsequently refinanced in compliance with the requirements for refinance under the RSDL pilot program, must be included in Schedule I of this annual report.

In Schedule I-2, the total number of borrowers who refinanced once, twice, or more than two times should equal the total number of borrowers who received one or more refinance loans in Schedule I-1.

SCHEDULE J (RECOMMENDATIONS FOR IMPROVING THE RSDL PILOT PROGRAM): Provide any comments or information to help improve the program.

COMPANIES WITH MULTIPLE LOCATIONS: Companies with multiple locations shall prepare one annual report consolidating the information of all locations into the report.

***ANNUAL REPORT FORM AVAILABLE ON THE INTERNET*:** The annual report form is available in Adobe Acrobat format at the Department of Business Oversight's Web site. The form is accessed by clicking on **Applications and Forms** on the Department of Business Oversight's homepage at "www.dbo.ca.gov", and then clicking on **California Finance Lenders**.

The form may be downloaded from the Department of Business Oversight's Web site; however, THE REPORT CANNOT BE FILED ELECTRONICALLY. If the report is downloaded, it must be printed and

submitted to the Department of Business Oversight in paper form. Please be sure to include your license number on the annual report to prevent any delays in processing your annual report.

***VERIFICATION*:** The Verification section must be completed in accordance with the instructions by the licensed individual, a general partner if the licensee is a partnership, or a corporate officer if the licensee is a corporation. The Verification must include an original signature on the **original** copy of the annual report filed with the Department of Business Oversight. **Incomplete Verification or a missing signature in the Verification shall result in rejection and return of the annual report to the licensee.**

***FEE*:** No fee is required to file the Annual Report.

***PUBLIC INSPECTION*:** The Department of Business Oversight shall prepare an annual consolidated report that aggregates the information received from each annual report submitted by licensees for the designated year. The annual consolidated report shall be available to the public.

FOR ASSISTANCE AND INFORMATION REGARDING THE ANNUAL REPORT: Contact the Department of Business Oversight at **1-866-275-2677.**

CFL 1606 (01/14)

STATE OF CALIFORNIA – BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY EDMUND G. BROWN JR., Governor

DEPARTMENT OF BUSINESS OVERSIGHT

Ensuring a Fair and Secure Financial Services Marketplace for all Californians

To: COMMISSIONER OF BUSINESS OVERSIGHT, STATE OF CALIFORNIA

ANNUAL REPORT FOR

CALIFORNIA FINANCE LENDERS LAW LICENSEES ENGAGED IN BUSINESS UNDER THE PILOT PROGRAM FOR INCREASED ACCESS TO RESPONSIBLE SMALL DOLLAR LOANS FOR THE YEAR ENDED DECEMBER 31, 20XX

THIS REPORT IS REQUIRED UNDER SECTIONS 22367 AND 22375 OF THE FINANCIAL CODE.

(PLEASE READ THE ATTACHED INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE ANNUAL REPORT.)

1. Name of licensee (as shown on the license): _____

2. License number: _____

3. Business phone number: ( ) _____

4. Fax number: ( ) _____

5. Web site address: _____

6. Total number of licensed locations at which business was conducted under the pilot program as of December 31, 20XX: _____

7. Total number of finders used during the calendar year: _____

8. Total number of finder locations used during the calendar year: _____

9. Business was conducted under the pilot program during the calendar year 20XX: ☐ YES ☐ NO

10. Disclose by finder, the licensee's relationship, including ownership or other financial relationship, and business arrangement with each finder.

_____

_____

_____

_____

_____

SCHEDULE A

SCHEDULE OF APPLICATIONS RECEIVED AND LOANS MADE BY SIZE AND TERM

FOR THE CALENDAR YEAR 20XX

A-1(a) Number Of Applications Received And Loans Made Using A Finder

Finder	Number Of Applications Received	Number Of Loans Made	Total Principal Amount Of Loans Made
1.			$
2.			
3.			
4.			
5.			
6.			
7.			
Totals			$

A-1(b) Number Of Applications Received And Loans Made Without Using A Finder

	Number Of Applications Received	Number Of Loans Made	Total Principal Amount Of Loans Made
Totals			$

A-2(a) Number Of Loans Made By Size Of Loan Using A Finder

Finder	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Total Loans Made
1.					
2.					
3.					
4.					
5.					
6.					
7.					
Totals					

A—2(b) Number Of Loans Made By Size Of Loan Without Using A Finder

	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Total Loans Made
Totals					

A-3(a) Number Of Borrowers Who Obtained More Than One Loan Using A Finder

Finder	Number Of Borrowers Who Obtained More Than One Loan	Number Of Borrowers With Credit Scores That Increased Over The Previous Loan	Percentage Of Borrowers With Increased Credit Scores (e.g., .458=46)	Average Size Of Increase In Credit Scores (Include Only Borrowers With Increased Scores)	Average Size Of Increase/Decrease In Credit Scores For All Borrowers
1.			%		
2.					
3.					
4.					
5.					
6.					
7.					
Totals			%		

A-3(b) Number Of Borrowers Who Obtained More Than One Loan Without Using A Finder

	Number Of Borrowers Who Obtained More Than One Loan	Number Of Borrowers With Credit Scores That Increased Over The Previous Loan	Percentage Of Borrowers With Increased Credit Scores (e.g., .458=46)	Average Size Of Increase In Credit Scores (Include Only Borrowers With Increased Scores)	Average Size Of Increase/Decrease In Credit Scores For All Borrowers
Totals			%		

A-4(a) Number Of Loans By Loan Term For Loans Made Using A Finder

Finder	Term Length 90 – 119 Days	Term Length 120 - 179 Days	Term Length 180 - 269 Days	Term Length 270 - 359 days	Term Length ≥360 Days	Total Loans Made
1.						
2.						
3.						
4.						
5.						
6.						
7.						
Totals						

A-4(b) Number Of Loans By Loan Term For Loans Made Without Using A Finder

	Term Length 90 – 119 Days	Term Length 120 - 179 Days	Term Length 180 - 269 Days	Term Length 270 - 359 Days	Term Length ≥360 Days	Total Loans Made
Totals						

A-5(a) Number Of Borrowers Who Obtained One Or More Loans Using A Finder

Finder	Number Of Borrowers Who Obtained 2 Loans	Number Of Borrowers Who Obtained 3 Loans	Number Of Borrowers Who Obtained 4 Or More Loans	Total Number Of Borrowers Who Obtained More Than One Loan
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Totals				

A-5(b) Number Of Borrowers Who Obtained One Or More Loans Without Using A Finder

	Number Of Borrowers Who Obtained 2 Loans	Number Of Borrowers Who Obtained 3 Loans	Number Of Borrowers Who Obtained 4 Or More Loans	Total Number Of Borrowers Who Obtained More Than One Loan
Totals				

SCHEDULE B

SCHEDULE OF LOANS BY INCOME DISTRIBUTION OF CENSUS TRACTS

AND BORROWERS WITH BANK ACCOUNTS

FOR CALENDAR YEAR 20XX

B-1(a) Number Of Loans By Income Distribution Of Census Tract (Using A Finder)

	Finder	Low	Moderate	Middle	Upper	Not Known	Total Loans Made
1.							
2.							
3.							
4.							
5.							
6.							
7.							
	Totals						

B-1(b) Number Of Loans By Income Distribution Of Census Tract (Without Using A Finder)

	Low	Moderate	Middle	Upper	Not Known	Total Loans Made
Totals						

B-2(a) Number Of Loans Made To Borrowers With Bank Account (Loans Made Using A Finder)

	Finder	Number With Bank Account(s)	Number Without Bank Account(s)	Number Of Borrowers Who Obtained More Than One Loan	Number Of Borrowers With A Bank Account And Also Used Check-Cashing Services	Number Of Borrowers With A Bank Account And Also Used Payday Loan Services
1.						
2.						
3.						
4.						
5.						
6.						
7.						
	Totals					

B-2(b) Number Of Loans Made To Borrowers With Bank Account (Loans Made Without Using A Finder)

	Number With Bank Account(s)	Number Without Bank Account(s)	Number Of Borrowers Who Obtained More Than One Loan	Number Of Borrowers With A Bank Account And Also Used Check-Cashing Services	Number Of Borrowers With A Bank Account And Also Used Payday Loan Services
Totals					

SCHEDULE C

SCHEDULE OF LATE FEES CHARGED DURING THE YEAR BY SIZE OF LOAN FOR CALENDAR YEAR 20XX

C-1(a) Number Of Loans In Which Late Fees Were Assessed (Loans Made Using A Finder)

Finder	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 - 1,499	Principal Balance $ 1,500 – 2,499	Total Loans Made
1.					
2.					
3.					
4.					
5.					
6.					
7.					
Totals					

C-1(b) Number Of Loans In Which Late Fees Were Assessed (Loans Made Without Using A Finder)

	Principal Balance $ 300 – 499	Principal Balance $ 500 - 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Total Loans Made
Totals					

C-2(a) Number Of Late Fees Assessed On Loans Made Using A Finder

Finder	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 - 1,499	Principal Balance $ 1,500 – 2,499	Total Number Of Late Fees
1.					
2.					
3.					
4.					
5.					
6.					
7.					
Totals					

C-2(b) Number Of Late Fees Assessed On Loans Made Without Using A Finder

	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Total Number of Late Fees
Totals					

C-3(a) Total Dollar Amount Of Late Fees Assessed On Loans Made Using A Finder

Finder	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 - 1,499	Principal Balance $ 1,500 – 2,499	Total Amount of Late Fees In Dollars
1.					
2.					
3.					
4.					
5.					
6.					
7.					
Totals					

C-3(b) Total Dollar Amount Of Late Fees Assessed On Loans Made Without Using A Finder

	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Total Amount of Late Fees In Dollars
Totals					

C-4(a) Average Number Of Late Fees Assessed Per Loan Made Using A Finder

Finder	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 - 1,499	Principal Balance $ 1,500 – 2,499	Overall Average
1.					
2.					
3.					
4.					
5.					
6.					
7.					
Totals					

C-4(b) Average Number Of Late Fees Assessed Per Loan Made Without Using A Finder

	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Overall Average
Totals					

C-5(a) Percentage Of Loans Assessed Late Fees (Loan Made Using A Finder)

Finder	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 - 1,499	Principal Balance $ 1,500 – 2,499	Overall Percentage
1.	%	%	%	%	
2.	%	%	%	%	
3.	%	%	%	%	
4.	%	%	%	%	
5.	%	%	%	%	
6.	%	%	%	%	
7.	%	%	%	%	
Totals					

C-5(b) Percentage Of Loans Assessed Late Fees (Loan Made Without Using A Finder)

	Principal Balance $ 300 – 499	%	Principal Balance $ 500 - 999	%	Principal Balance $ 1,000 – 1,499	%	Principal Balance $ 1,500 – 2,499	%	Overall Percentage
Totals									

SCHEDULE D

SCHEDULE OF LOANS MADE BY LOAN PURPOSE

FOR CALENDAR YEAR 200XX

D-1(a) Number Of Loans Made By Loan Purpose Using A Finder

Finder	Medical	Other Emergency	Vehicle Repair	Vehicle Purchase	To Pay Bills	To Consolidate Debt	To Build or Repair Credit	Purchase Goods or Services Other Than a Vehicle	For Other Than Personal, Family or Household Purposes	Other
1.										
2.										
3.										
4.										
5.										
6.										
7.										

TOTALS										

D-1(b) Number Of Loans Made By Loan Purpose Without Using A Finder

	Medical	Other Emergency	Vehicle Repair	Vehicle Purchase	To Pay Bills	To Consolidate Debt	To Build or Repair Credit	Purchase Goods or Services Other Than a Vehicle	For Other Than Personal, Family or Household Purposes	Other
TOTALS										

SCHEDULE E

SCHEDULE OF LOANS BY RATE CHARGES

FOR CALENDAR YEAR 20XX

E-1(a) Number Of Loans Made Between $300 - $499 Using A Finder

Finder	Number Of Loans Made Per Annual Percentage Rate (APR)									
	Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
1.									
2.									
3.									
4.									
5.									
6.									
7.									

Totals

_____ _____ _____ _____ _____ _____ _____ _____ _____

E-1(b) Number Of Loans Made Between $300 - $499 Without Using A Finder

Number Of Loans Made Per Annual Percentage Rate (APR)								
Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made

Totals

_____ _____ _____ _____ _____ _____ _____ _____ _____

SCHEDULE E

SCHEDULE OF LOANS BY RATE CHARGES

FOR CALENDAR YEAR 20XX

E-2(a) Number Of Loans Made Between $500 - $999 Using A Finder

Finder	Number Of Loans Made Per Annual Percentage Rate (APR)								
	Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
1.									
2.									
3.									
4.									
5.									
6.									
7.									
Totals									

E-2(b) Number Of Loans Made Between $500 - $999 Without Using A Finder

Number Of Loans Made Per Annual Percentage Rate (APR)

Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made

SCHEDULE E

SCHEDULE OF LOANS BY RATE CHARGES

FOR CALENDAR YEAR 20XX

E-3(a) Number Of Loans Made Between $1,000 - $1,499 Using A Finder

Finder	Number Of Loans Made Per Annual Percentage Rate (APR)								
	Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
1.									
2.									
3.									

4.										
5.										
6.										
7.										
Totals										

E-3(b) Number Of Loans Made Between $1,000 - $1,499 Without Using A Finder

Number Of Loans Made Per Annual Percentage Rate (APR)								
Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
Totals								

SCHEDULE E

SCHEDULE OF LOANS BY RATE CHARGES

FOR CALENDAR YEAR 20XX

E-4(a) Number Of Loans Made Between $1,500 - $2,499 Using A Finder

Finder	Number Of Loans Made Per Annual Percentage Rate (APR)								
	Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
1.									
2.									
3.									
4.									
5.									
6.									
7.									
Totals									

E-4(b) Number Of Loans Made Between $1,500 - $2,499 Without Using A Finder

Number Of Loans Made Per Annual Percentage Rate (APR)								
Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
Totals								

SCHEDULE F

SCHEDULE OF LOAN PERFORMANCE

AS OF YEAR END 20XX

F-1(a) Number And Percentage Of Loans With At Least One Delinquency Lasting Between 7 – 29 Days For Loans Made Using A Finder									
Finder		Number Of Loans With At Least One Delinquency				Percentage Of Loans With At Least One Delinquency			
		Principal	Principal	Principal	Principal	Principal	Principal	Principal	Principal

	Balance $ 300 – 499	Balance $ 500 – 999	Balance $ 1,000 – 1,499	Balance $ 1,500 – 2,499	Balance $ 300 – 499	Balance $ 500 – 999	Balance $ 1,000 – 1,499	Balance $ 1,500 – 2,499
1.								
2.								
3.								
4.								
5.								
6.								
7.								
Totals								

F-1(b) Number And Percentage Of Loans With At Least One Delinquency Lasting Between 7 – 29 Days For Loans Made Without Using A Finder

	Number Of Loans With At Least One Delinquency	Percentage Of Loans With At Least One Delinquency

Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499

Totals

_____ _____ _____ _____ _____ _____ _____ _____

SCHEDULE F

SCHEDULE OF LOAN PERFORMANCE

AS OF YEAR END 20XX

F-2(a) Number And Percentage Of Loans With At Least One Delinquency Lasting Between 30 – 59 Days For Loans Made Using A Finder								
	Number Of Loans With At Least One Delinquency				Percentage Of Loans With At Least One Delinquency			
Finder	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499
1. _____	_____	_____	_____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____	_____	_____	_____

3.									
4.									
5.									
6.									
7.									
	Totals								

F-2(b) Number And Percentage Of Loans With At Least One Delinquency Lasting Between 30 – 59 Days For Loans Made Without Using A Finder

	Number Of Loans With At Least One Delinquency				Percentage Of Loans With At Least One Delinquency			
	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499

Totals

SCHEDULE F

SCHEDULE OF LOAN PERFORMANCE

AS OF YEAR END 20XX

F-3(a) Number And Percentage Of Loans With At Least One Delinquency Lasting 60 Days Or More For Loans Made Using A Finder									
		Number of Loans With At Least One Delinquency				Percentage of Loans With At Least One Delinquency			
Finder		Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499
1.									
2.									
3.									
4.									
5.									

6.									
7.									
Totals									

F-3(b) Number And Percentage Of Loans With At Least One Delinquency Lasting 60 Days Or More For Loans Made Without Using A Finder

Number Of Loans With At Least One Delinquency				Percentage Of Loans With At Least One Delinquency			
Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499	Principal Balance $ 300 – 499	Principal Balance $ 500 – 999	Principal Balance $ 1,000 – 1,499	Principal Balance $ 1,500 – 2,499

Totals

F-4(a) Loans With At Least One Delinquency Of Greater Than 7 Days For Loans Made Using A Finder

	Finder	Number Of Loans With At Least One Delinquency Of Greater Than 7 Days And Were Not Subsequently Brought Current	For Loans That Were Delinquent 7 days Or More, Average Number Of Times Borrowers Were Delinquent 7 Days Or More
1.			
2.			
3.			
4.			
5.			
6.			
7.			
	Totals		

F-4(b) Loans With At Least One Delinquency Of Greater Than 7 Days For Loans Made Without Using A Finder

	Number Of Loans With At Least One Delinquency Of Greater Than 7 Days And Were Not Subsequently Brought Current	For Loans That Were Delinquent 7 days Or More, Average Number Of Times Borrowers Were Delinquent 7 Days Or More
Totals		

SCHEDULE G

SCHEDULE OF LOANS MADE BY LANGUAGE AND CREDIT EDUCATION PROGRAM OR SEMINAR OFFERED

FOR THE CALENDAR YEAR 20XX

G-1(a) Number Of Loans Made Using A Finder (For Columns A and B, See Instructions)

LANGUAGE IN WHICH THE LOAN WAS NEGOTIATED ORALLY OR IN WRITING

Finder	English	A	B	Spanish	A	B	Chinese	A	B	Tagalog	A	B	Vietnamese	A	B	Korean	A	B	Other	A	B
1.																					
2.																					
3.																					
4.																					
5.																					
6.																					
7.																					

8.																					
9.																					
10.																					
Totals																					

G-1(b) Number Of Loans Made Without Using A Finder (See Instructions Before Completing)

English	A	B	Spanish	A	B	Chinese	A	B	Tagalog	A	B	Vietnamese	A	B	Korean	A	B	Other	A	B
Totals																				

SCHEDULE H

SCHEDULE OF FINDERS

FOR CALENDAR YEAR 20XX

FINDER	CONTACT PERSON	VOLUME OF BUSINESS IN LOAN $$	TYPE OF BUSINESS OPERATED BY FINDER (ex., grocery store, check casher)	AMOUNT OF FEES PAID TO FINDER	PROVIDE TYPE OF LICENSE & LICENSE NUMBER HELD BY FINDER (ex., check casher, pawn broker, etc.)	OWNERSHIP OR OTHER FINANCIAL RELATIONSHIP WITH LICENSEE (YES OR NO)	NUMBER OF BUSINESS LOCATIONS AT WHICH PILOT PROGRAM ACTIVITIES WERE CONDUCTED	BUSINESS ADDRESS (Street, City, State, & Zip Code)

SCHEDULE I

SCHEDULE OF REFINANCE LOANS

FOR THE CALENDAR YEAR 20XX

I-1(a) Number Of Refinance Loans Made Using A Finder

Finder	Number Of Borrowers Who Applied for A Refinance Loan	Percentage Of Borrowers Who Applied For A Refinance Loan	Number Of Borrowers Who Obtained One or More Refinance Loans	Percentage Of Borrowers Who Refinanced A Loan	Total Principal Amount Of Refinance Loans Made
1.		%		%	
2.					
3.					
4.					
5.					
6.					
7.					
Totals		%		%	

I-1(b) Number Of Refinance Loans Made Without Using A Finder

	Number Of Borrowers Who Applied For A Refinance Loan	Percentage Of Borrowers Who Applied For A Refinance Loan	Number Of Borrowers Who Obtained One or More Refinance Loans	Percentage Of Borrowers Who Refinanced A Loan	Total Principal Amount Of Refinance Loans Made
Totals		%		%	

I-2(a) Detail Of Refinance Loans For Loans Made Using A Finder

Finder	Number Of Borrowers Who Refinanced Once	Percentage Of Borrowers Who Refinanced Once	Number Of Borrowers Who Refinanced Twice	Percentage Of Borrowers Who Refinanced Twice	Number Of Borrowers Who Refinanced More than Twice	Percentage Of Borrowers Who Refinanced More Than Twice
1.		%		%		%
2.						
3.						
4.						
5.						
6.						
7.						
Totals		%		%		%

I-2(b) Detail Of Refinance Loans For Loans Made Without Using A Finder

	Number Of Borrowers Who Refinanced Once	Percentage Of Borrowers Who Refinanced Once	Number Of Borrowers Who Refinanced Twice	Percentage Of Borrowers Who Refinanced Twice	Number Of Borrowers Who Refinanced More Than Twice	Percentage Of Borrowers Who Refinanced More Than Twice
Totals		%		%		%

I-3(a) Average Percentage Of Principal Paid Down, Late Fees Made, And Additional Principal Extended On Refinanced Loans Made Using A Finder

Finder	Average Percentage Of Principal Paid Down Before Obtaining A Refinance Loan	Average Number Of Late Payments Made On Loan That Was Refinanced	Average Amount Of Additional Principal Extended On Refinance Loans
1.	%	$	
2.			
3.			
4.			
5.			
6.			
7.			
Totals	%	$	

I-3(b) Average Percentage Of Principal Paid Down, Late Fees Made, And Additional Principal Extended On Refinanced Loans Made Without Using A Finder

	Average Percentage Of Principal Paid Down Before Obtaining A Refinance Loan	Average Number Of Late Payments Made On Loan That Was Refinanced	Average Amount Of Additional Principal Extended On Refinance Loans
Totals	%		$

SCHEDULE J

RECOMMENDATIONS FOR IMPROVING THE PILOT PROGRAM

Please provide any comments or information to help improve the program.

VERIFICATION

State of _____)

County of _____)

I, the undersigned, state: That I am an officer, a general partner or the sole proprietor, or have a position of similar proprietary interest of (*Insert name as shown on the license*)

_____

and I have read and signed the report and know the contents of the information filed herewith. I certify that the statistical information provided in this annual report is to the best of my knowledge true and exact.

Complete Section (A) OR Section (B) as appropriate.

(A) IF LOCATED IN CALIFORNIA OR IN A STATE WHICH PERMITS A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS NOT NECESSARY.

Date _____, _____ at _____, _____

(Month/Day) (Year) (City) (State)

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

_____ Phone Number: ( ) _____

(Signature of Declarant)

_____ Fax Number: ( ) _____

(Name and Title, type or print)

E-mail Address: _____

(B) IF LOCATED OUTSIDE OF CALIFORNIA IN A STATE WHICH DOES NOT PERMIT A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS REQUIRED.

Date _____, _____

(Month/Day) (Year) Signature of Affiant

at _____ _____

(City) Name and Title (*Please type or print*)

_____

(State) Subscribed and sworn to before me on

_____, _____

(Month/Date) (Year)

(Seal) _____

Notary Public in and for said County and State

Phone Number: ( ) _____ Fax Number: ( ) _____

E-mail Address: _____

CFL 1606 (01/14)

Note: Authority cited: Sections 22150, Financial Code. Reference: Sections 22367, 22375 and 22715, Financial Code.

26. Section 1606.1 is adopted to read:

§ 1606.1. Annual Report for the Pilot Program for Affordable Credit-Building Opportunities for the Calendar Year Ended December 31, 2013: Form.

(a) Effective January 1, 2014, the Pilot Program for Affordable Credit-Building Opportunities is abolished [Senate Bill 318 (Chap. 467, Stats. 2013)]. Each licensee under the Pilot Program for Affordable Credit-Building Opportunities shall file the annual report as set forth in subsection (e) for the final year of the pilot program.

(b) The annual report for loans made under the pilot program in the calendar year ended December 31, 2013, shall be filed with the Commissioner on or before March 15, 2014.

(c) The annual report shall provide information concerning the business and operations conducted by the licensee, and information pertaining to each finder and the licensee's relationship and business arrangements with each finder under the Pilot Program for Affordable Credit-Building Opportunities, during the 2013 calendar year. The annual report required in this section is in addition to the annual report of the total business operations of the licensee required under Section 22159 of the Financial Code, and the annual report for the Pilot Program for Increased Access to Responsible Small Dollar Loans required under Sections 22367 and 22375, subdivision (c), of the Financial Code.

(d) Loans made under the Pilot Program for Increased Access to Responsible Small Dollar Loans shall be reported in the annual report in Section 1606 of these rules. Any loan that was made under the former Pilot Program for Affordable Credit-Building Opportunities and subsequently refinanced under the Pilot Program for Increased Access to Responsible Small Dollar Loans shall be reported in the annual report in section 1606 of these rules.

(e) The individual annual report required under Sections 22349.2 and 22357, subdivision (c), of the Financial Code shall be submitted on the following form:

STATE OF CALIFORNIA – BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY EDMUND G. BROWN Jr., Governor

DEPARTMENT OF BUSINESS OVERSIGHT

Ensuring a Fair and Secure Financial Services Marketplace for all Californians

INSTRUCTIONS FOR COMPLETING THE 20XX ANNUAL REPORT FOR LICENSEES PARTICIPATING IN THE AFFORDABLE CREDIT BUILDING OPPORTUNITIES PROGRAM

WHO MUST FILE THE REPORT: Every licensee under the California Finance Lenders Law approved by the Commissioner of Business Oversight to participate in the Affordable Credit-Building Opportunities (ACBO) pilot program shall file the annual report. The annual report shall include information on all business conducted under the ACBO pilot program.

***NO BUSINESS OR INACTIVE LICENSES*:** An annual report shall be filed even if no business was conducted under the license in 20XX. If no business was conducted under the ACBO pilot program during the calendar year 20XX, complete question numbers 1 through 10 and Verification

section only. Include a statement at the bottom of the Verification section that **"No business was conducted under the ACBO pilot program during the calendar year 20XX." "**No business" means no loans were made under the ACBO pilot program in 20XX.

***WHEN IS THE REPORT DUE/ PENALTY FOR FAILURE TO FILE THE REPORT*:** The report is due on or before **March 15, 20XX. No extension of the filing date shall be granted. Failure to file the report may result in summary revocation of the California Finance Lenders Law license(s).**

***WHAT IS THE PURPOSE OF THE ANNUAL REPORT*:** The information reported in the annual report shall be aggregated into a consolidated report and the annual consolidated report shall be posted on the Commissioner of Business Oversight's Internet Web site at www.dbo.ca.gov by July 1, 2015, as required under Financial Code Section 22380, subdivision (a).

***WHERE TO FILE THE REPORT*:**

DEPARTMENT OF BUSINESS OVERSIGHT

Financial Services Division

320 West Fourth Street, Suite 750

Los Angeles, CA 90013

***THE ANNUAL REPORT FORM*:** The information must be submitted on the annual report form prescribed by the Department of Business Oversight (Form CFL 1606.1). **ALL AMOUNTS MUST BE ROUNDED TO THE NEAREST WHOLE DOLLAR.** Do not add ".00" to represent rounding to the nearest dollar. In addition, do not round items to the nearest thousand or million dollars, or

round intermediate calculations. The annual report is electronically scanned and therefore the information must be **TYPED** in the annual report form, and the **ORIGINAL** signed copy of the annual report shall be filed with the Department of Business Oversight.

***COMPLETENESS & ACCURACY*:** The annual report shall be rejected by the Department of Business Oversight and returned to the licensee if the information provided is incomplete or incorrect. All questions and schedules must be completed. If any schedule is inapplicable, indicate "Not Applicable" at the top of the page. The following schedules provide space to report on the activities of seven finders. Attach a supplemental page(s) if more space is needed or if more than seven finders were used. All information provided in the annual report is subject to verification. Accordingly, due care should be exercised in the completion of the report.

PERIOD COVERED BY THE REPORT: The reporting period is either (1) January 1, 20XX to December 31, 20XX, or (2) the effective date of approval to participate in the ACBO pilot program in 20XX to December 31, 20XX.

If any loans were made under the ACBO pilot program during the year 20XX, Schedules A through I must be completed. The following schedules provide space to report activities associated with seven finders. If no loans were made in 20XX, state "None" on the applicable schedules.

***SCHEDULE A (SCHEDULE OF APPLICATIONS TAKEN AND LOANS MADE BY SIZE)*:** All loan applications taken and loans made must be scheduled in Section A. Multiple loans made to the same borrower are to be reported as separate loans transactions. Do not include loans that were not made under the ACBO pilot program. Report percentages to the nearest whole percentage (e.g. report .457 as 46, not 45.7 or 46%)

SCHEDULE B (SCHEDULE OF LOANS BY INCOME DISTRIBUTION OF CENSUS TRACTS AND BORROWERS WITH BANK ACCOUNTS): Schedule loans by the following income distribution of census tracts as defined under the federal Community Reinvestment Act (12 U.S.C. 2901) and the Federal Financial Institutions Examination Council:

If the Median Family Income % is < 50%, then the Income Level is **Low**.

If the Median Family Income % is >= 50% and < 80%, then the Income Level is **Moderate**.

If the Median Family Income % is >= 80% and < 120%, then the Income Level is **Middle**.

If the Median Family Income % is >= 120%, then the Income Level is **Upper**.

If the Median Family Income % is 0%, then the Income Level is **Not Known**.

Information on income distribution of census tract may be found at http://www.ffiec.gov/ and http://www.ffiec.gov/census/default.aspx

SCHEDULE C & D (SCHEDULE OF LATE FEES CHARGED DURING THE YEAR BY SIZE & SCHEDULE OF LOANS MADE BY LOAN PURPOSE).

***SCHEDULE E (SCHEDULE OF LOANS BY RATE CHARGES*):** Report loans in Schedules E-1, E-2 & E-3 based on annual percentage rate (APR) calculated in accordance with Federal Reserve Board Regulation Z. Do not report loans in these schedules using the agreed upon contract rate.

***SCHEDULE F (SCHEDULE OF LOAN PERFORMANCE*):** Report loans based on the number of payments past due. Do not report loans based on recency of payment.

***SCHEDULE G (SCHEDULE OF LOANS MADE BY LANGUAGE AND CREDIT EDUCATION PROGRAM OR SEMINAR OFFERED*):** In column A, report the number of borrowers who were offered a credit education program or seminar in the same language in which the loan was negotiated. If known, report in column B the number of borrowers who attended the offered credit education program or seminar.

***SCHEDULE H (SCHEDULE OF FINDERS BY LOCATION*):** Report all finders utilized during the calendar year 20XX.

SCHEDULE I (RECOMMENDATIONS FOR IMPROVING THE PILOT PROGRAM): Provide any comments or information to help improve the program.

COMPANIES WITH MULTIPLE LOCATIONS: Companies with multiple locations shall prepare one annual report consolidating the information of all locations into the report.

***ANNUAL REPORT FORM AVAILABLE ON THE INTERNET*:** The annual report form is available in Adobe Acrobat format at the Department of Business Oversight's website. The form may be accessed by clicking on **Applications and Forms** on the Department of Business Oversight's homepage at "www.dbo.ca.gov", and then clicking on **California Finance Lenders**.

The form may be downloaded from the Department of Business Oversight's website; however, THE REPORT CANNOT BE FILED ELECTRONICALLY. If the report is downloaded, it must be printed and submitted to the Department in paper form. Please be sure to include your license number on the annual report to prevent any delays in processing your annual report.

***VERIFICATION*:** The Verification section must be completed in accordance with the instructions by the licensed individual, a general partner if the licensee is a partnership, or a corporate officer if the licensee is a corporation. The Verification must include an original signature on the **original** copy of the annual report filed with the Department of Business Oversight. **Incomplete Verification or a missing signature in the Verification shall result in rejection and return of the annual report to the licensee.**

***FEE*:** No fee is required to file the Annual Report.

***PUBLIC INSPECTION*:** The Department of Business Oversight shall prepare an annual consolidated report that aggregates the information received from each annual report submitted by licensees for the designated year. The annual consolidated report shall be available to the public.

FOR ASSISTANCE AND INFORMATION REGARDING THE ANNUAL REPORT: Contact the Department of Business Oversight at **1-866-275-2677.**

CFL 1606.1

STATE OF CALIFORNIA – BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY EDMUND G. BROWN Jr., Governor

DEPARTMENT OF BUSINESS OVERSIGHT

Ensuring a Fair and Secure Financial Services Marketplace for all Californians

To: COMMISSIONER OF BUSINESS OVERSIGHT, STATE OF CALIFORNIA

ANNUAL REPORT FOR

CALIFORNIA FINANCE LENDERS LAW LICENSEES ENGAGED IN BUSINESS UNDER THE AFFORDABLE CREDIT-BUILDING OPPORTUNITIES (ACBO) PILOT PROGRAM

FOR THE YEAR ENDED DECEMBER 31, 20XX

THIS REPORT IS REQUIRED UNDER SECTIONS 22349.2 AND 22357 OF THE FINANCIAL CODE.

(PLEASE READ THE ATTACHED INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE ANNUAL REPORT.)

1. Name of licensee (as shown on the license): _____

2. License number: _____

3. Business phone number: ( ) _____

4. Fax number: ( ) _____

5. Website address: _____

6. Total number of licensed locations at which business was conducted under the ACBO pilot program as of December 31, 20XX: _____

7. Total number of finders used during the calendar year: _____

8. Total number of finder locations used during the calendar year: _____

9. Business was conducted under the ACBO pilot program during the calendar year 20XX: ☐ YES ☐ NO

10. Disclose by finder, the licensee's relationship, including ownership or other financial relationship, and business arrangement with each finder.

_____

_____

_____

_____

SCHEDULE A

SCHEDULE OF APPLICATIONS TAKEN AND LOANS MADE BY SIZE

FOR THE CALENDAR YEAR 20XX

A-1(a) Total Number of Application Taken and Loans Made Using A Finder

Finder	Number of Applications Taken	Number of Loans Made	Total Principal Amount of Loans Made
1.			$
2.			
3.			
4.			
5.			
6.			
7.			
Totals			$

A-1(b) Number of Applications Taken and Loans Made Without Using A Finder

	Number of Applications Taken	Number of Loans Made	Total Principal Amount of Loans Made
Totals			$

A-2(a) Number of Loans Made By Loan Size Using A Finder

Finder	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Loans Made
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Totals				

A-2(b) Number Of Loans Made By Loan Size Without Using A Finder

	Principal Balance $ 250 – 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Loans Made
Totals				

A-3(a) Number of Borrowers Who Obtained More Than One Loan Using A Finder

Finder	Number of Borrowers Who Obtained More Than One Loan	Number of Borrowers With Credit Scores that Increased Over the Previous Loan	Percentage of Borrowers With Increased Credit Scores (e.g., .458=46)	Average Size of Increase In Credit Scores (Include Only Borrowers With Increased Scores)	Average Size of Increase/Decrease In Credit Scores For All Borrowers
1.			%		
2.					
3.					
4.					
5.					
6.					
7.					
Totals			%		

A-3(b) Number of Borrowers Who Obtained More Than One Loan Without Using A Finder

	Number of Borrowers Who Obtained More Than One Loan	Number of Borrowers With Credit Scores that Increased Over the Previous Loan	Percentage of Borrowers With Increased Credit Scores (e.g., .458=46)	Average Size of Increase In Credit Scores (Include Only Borrowers With Increased Scores)	Average Size of Increase/Decrease In Credit Scores For All Borrowers
Totals			%		

SCHEDULE B

SCHEDULE OF LOANS BY INCOME DISTRIBUTION OF CENSUS TRACTS

AND BORROWERS WITH BANK ACCOUNTS

FOR CALENDAR YEAR 20XX

B-1(a) Number of Loans By Income Distribution of Census Tract Using A Finder

Finder	Low	Moderate	Middle	Upper	Not Known	Total Loans Made
1.						
2.						
3.						
4.						
5.						
6.						
7.						
Totals						

B-1(b) Number of Loans By Income Distribution of Census Tract Without Using A Finder

	Low	Moderate	Middle	Upper	Not Known	Total Loans Made
Totals						

B-2(a) Number Of Loans Made To Borrowers With Bank Account(s) Using A Finder

Finder	Number With Bank Account(s)	Number Without Bank Account(s)	Number of Borrowers Who Obtained More Than One Loan	Number of Borrowers With a Bank Account and Also Use Check-Cashing Services	Number of Borrowers With a Bank Account and Also Use Payday Loan Services
1.					
2.					
3.					
4.					
5.					
6.					
7.					
Totals					

B-2(b) Number Of Loans Made To Borrowers With Bank Account(s) Without Using A Finder

	Number With Bank Account(s)	Number Without Bank Account(s)	Number of Borrowers Who Obtained More Than One Loan	Number of Borrowers With a Bank Account and Also Use Check-Cashing Services	Number of Borrowers With a Bank Account and Also Use Payday Loan Services
Totals					

SCHEDULE C

SCHEDULE OF LATE FEES CHARGED DURING THE YEAR BY SIZE

FOR CALENDAR YEAR 20XX

C-1(a) Number Of Loans Made Using A Finder In Which Late Fee(s) Were Charged

Finder	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Loans Made
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Totals				

C-1(b) Number Of Loans Made Without Using A Finder In Which Late Fee(s) Were Charged

	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Loans Made
Totals				

C-2(a) Number Of Late Fees Charged On Loans Made Using A Finder

Finder	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Loans Made
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Totals				

C-2(b) Number Of Late Fees Charged On Loans Made Without Using A Finder

	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Loans Made
Totals				

C-3(a) Dollar Amount of Late Fees Collected On Loans Made Using A Finder

Finder	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Late Fees in Dollars
1.	$			$
2.				
3.				
4.				
5.				
6.				
7.				
Totals	$			$

C-3(b) Dollar Amount of Late Fees Collected On Loans Made Without Using A Finder

	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Total Late Fees in Dollars
Totals	$			$

C-4(a) Average Number of Late Fees Charged Per Loan Made Using A Finder

Finder	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 – 2,499	Overall Average
1.				
2.				
3.				
4.				
5.				
6.				
7.				
Totals				

C-4(b) Average Number of Late Fees Charged Per Loan Made Without Using A Finder

	Principal Balance $ 250 - 499	Principal Balance $ 500 - 1,499	Principal Balance $1,500 - 2,499	Overall Average
Totals				

C-5(a) Percentage Of Loans Made With Late Fees Using A Finder

Finder	Principal Balance $ 250 – 499	Principal Balance $ 500 – 1,499	Principal Balance $1,500 - 2,499	Overall Percentage
1.	%	%	%	%
2.				
3.				
4.				
5.				
6.				
7.				
Totals				

C-5(b) Percentage Of Loans Made With Late Fees Without Using A Finder

	Principal Balance $ 250 - 499	Principal Balance $ 500 – 1,499	Principal Balance $1,500 - 2,499	Overall Percentage
Totals	%	%	%	%

SCHEDULE D

SCHEDULE OF LOANS MADE BY LOAN PURPOSE

FOR CALENDAR YEAR 200XX

D-1(a) Number Of Loans Made By Loan Purpose Using A Finder

Finder	Medical	Emergency	Vehicle Repair	Vehicle Purchase	To Pay Bills	To Consolidate Debt	To Build or Repair Credit	Services Other Than a Vehicle	Other
1.									
2.									
3.									
4.									
5.									
6.									
7.									

TOTALS									

D-1(b) Number Of Loans Made By Loan Purpose Without Using A Finder

	Medical	Emergency	Repair	Vehicle Purchase	To Pay Bills	Consolidate	To Build or Repair Credit	Services Other Than a Vehicle	Other
TOTALS									

SCHEDULE E

SCHEDULE OF LOANS BY RATE CHARGES

FOR CALENDAR YEAR 20XX

E-1(a) Number of Loans Made Between $250 - $499 Using a Finder

Finder	Number of Loans Made Per Annual Percentage Rate (APR)								
	Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									

9.										
10.										
11.										
12.										
13.										
14.										
15.										
Totals										

E-1(b) Number of Loans Made Between $250 - $499 Without Using a Finder

Number of Loans Made Per Annual Percentage Rate (APR)								
Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made

Totals

E-2(a) Number of Loans Made Between $500 - $1,499 Using a Finder

Finder	Number of Loans Made Per Annual Percentage Rate (APR)								
	Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									

11.										
12.										
13.										
14.										
15.										
Totals										

E-2(b) Number of Loans Made Between $500 - $1,499 Without Using a Finder

Number of Loans Made Per Annual Percentage Rate (APR)								
Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made

E-3(a) Number of Loans Made Between $1,500 - $2,499 Using a Finder

Finder	Number of Loans Made Per Annual Percentage Rate (APR)								
	Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									
11.									
12.									

13.

14.

15.

Totals

E-3(b) Number of Loans Made Between $1,500 - $2,499 Without Using a Finder

Number of Loans Made Per Annual Percentage Rate (APR)								
Up to 14.99%	15.00% - 19.99%	20.00% - 24.99%	25.00% – 29.99%	30.00% – 34.99%	35.00% – 39.99%	40.00% - 49.99%	50.00% or more	Total Loans Made

Totals

SCHEDULE F

SCHEDULE OF LOAN PERFORMANCE

AS OF YEAR END 20XX

F-1(a) Number of Loans (using a Finder) With Past Due Payments and Percentage of Loans with Past Due Payments

Finder	NUMBER OF LOANS OUTSTANDING	NUMBER OF LOANS PAST DUE				PERCENTAGE OF LOANS PAST DUE			
		Current Loan	1 Payment Past Due	2 Payments Past Due	3 or more Payments Past Due	Current Loan	1 Payment Past Due	2 Payments Past Due	3 or more Payments Past Due
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									

10.										
11.										
12.										
13.										
14.										
15.										
Totals										

F-1(b) Number of Loans (not using a Finder) with Past Due Payments and Percentage of Loans with Past Due Payments

NUMBER OF LOANS OUTSTANDING	NUMBER OF LOANS PAST DUE				PERCENTAGE OF LOANS PAST DUE			
	Current Loan	1 Payment Past Due	2 Payments Past Due	3 or more Payments Past Due	Current Loan	1 Payment Past Due	2 Payments Past Due	3 or more Payments Past Due
Totals								

SCHEDULE G

SCHEDULE OF LOANS MADE BY LANGUAGE AND CREDIT EDUCATION PROGRAM OR SEMINAR OFFERED

FOR THE CALANDER YEAR 20XX

G-1(a) Number of Loans Made Using a Finder (For columns A and B see instructions.)

LANGUAGE IN WHICH THE LOAN WAS NEGOTIATED ORALLY OR IN WRITING

Finder	English	A	B	Spanish	A	B	Chinese	A	B	Tagalog	A	B	Vietnamese	A	B	Korean	A	B
1.																		
2.																		
3.																		
4.																		
5.																		
6.																		

7.																			
8.																			
9.																			
10.																			
Totals																			

G-1(b) Number of Loans Made Without Using a Finder (For columns A and B see instructions.)

	English	A	B	Spanish	A	B	Chinese	A	B	Tagalog	A	B	Vietnamese	A	B	Korean	A	B
Totals																		

SCHEDULE H

SCHEDULE OF FINDERS

FOR CALENDAR YEAR 20XX

FINDER	CONTACT PERSON	VOLUME OF BUSINESS IN LOAN $$	TYPE OF BUSINESS OPERATED BY FINDER (ex., grocery store, check casher)	AMOUNT OF FEES PAID TO FINDER	PROVIDE TYPE OF LICENSE & LICENSE NUMBER HELD BY FINDER (ex., check casher, pawn broker, etc.)	OWNERSHIP OR OTHER FINANCIAL RELATIONSHIP WITH LICENSEE (YES OR NO)	NUMBER OF BUSINESS LOCATIONS AT WHICH ACBO ACTIVITIES WERE CONDUCTED	BUSINESS ADDRESS (Street, City, State, & Zip Code)

SCHEDULE I

RECOMMENDATIONS FOR IMPROVING THE PILOT PROGRAM

Please provide any comments or information to help improve the program.

_____

_____

_____

_____

_____

_____

_____

_____

VERIFICATION

State of _____)

County of _____)

I, the undersigned, state: That I am an officer, a general partner or the sole proprietor, or have a position of similar proprietary interest of (*Insert name as shown on the license*)

_____

and I have read and signed the report and know the contents of the information filed herewith. I certify that the statistical information provided in this annual report is to the best of my knowledge true and exact.

Complete Section (A) OR Section (B) as appropriate.

(A) IF LOCATED IN CALIFORNIA OR IN A STATE WHICH PERMITS A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS NOT NECESSARY.

Date _____, _____ at _____, _____

(Month/Day) (Year) (City) (State)

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

_____ Phone Number: ( ) _____

(Signature of Declarant)

_____ Fax Number: ( ) _____

(Name and Title, type or print)

E-mail Address: _____

(B) IF LOCATED OUTSIDE OF CALIFORNIA IN A STATE WHICH DOES NOT PREMIT A DECLARATION UNDER PENALTY OF PERJURY, COMPLETE THIS SECTION. NOTARIZATION IS REQUIRED.

Date _____, _____ _____

(Month/Day) (Year) Signature of Affiant

at _____ _____

(City) Name and Title (*Please type or print*)

_____

(State) Subscribed and sworn to before me on

_____, _____

(Month/Date) (Year)

(Seal) _____

Notary Public in and for said County and State

Phone Number: ( ) _____ Fax Number: ( ) _____

E-mail Address: _____

CFL 1606.1

Note: Authority cited: Sections 22150 and 22159, Financial Code. Reference: Sections 22159, 22349.2, 22357(c) and 22715, Financial Code.

27. Section 1607 is adopted to read:

§ 1607. Additional Information Required to Complete the Annual Report.

(a) A licensee shall obtain and keep for every loan the following additional information, for purposes of reporting information in the annual report:

(1) Credit scores from at least one consumer reporting agency for each borrower who obtained more than one program loan (Section 22380, subdivision (d)(6), of the Financial Code),

(2) Income distribution for each borrower, including the number of borrowers who obtained at least one program loan and who resided in a low-to-moderate-income census tract at the time of their loan application (Section 22380, subdivision (d)(7), of the Financial Code), defined as a distressed/underserved tract under the federal Community Reinvestment Act (12 U.S.C. 2901) and based on census tract data published by the Federal Financial Institutions Examination Counsel.

(3) Borrowers' primary purpose in obtaining the loan, based on borrower responses at the time of the loan applications, as follows (Section 22380, subdivision (d)(8), of the Financial Code):

(A) Medical.

(B) Other emergency.

(C) Vehicle repair.

(D) Vehicle purchase.

(E) To pay bills.

(F) To consolidate debt.

(G) To build or repair credit history.

(H) To finance a purchase of goods or services other than a vehicle.

(I) For other than personal, family, or household purposes.

(J) Other.

(4) Whether the borrower self-reported that he or she had or did not have a bank account at the time of the loan application, and if the borrower had a bank account, whether the borrower

self-reported that he or she used check-cashing services (Section 22380, subdivision (d)(9), of the Financial Code) or payday loan services,

(5) Language in which the loan was negotiated orally or in writing, and whether the credit education program or seminar offered by the licensee was offered in that language, and

(6) If known, whether the borrower attended a credit education program or seminar offered by the licensee.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22380, Financial Code.

28. Section 1608 is adopted to read:

Subarticle 5. Credit Education Programs and Seminars.

§ 1608. Approval by the Commissioner.

(a) A licensee shall either offer a credit education program or seminar to the borrower, or invite the borrower to a credit education program or seminar offered by an independent third party.

(b) The content of the credit education program or seminar shall provide information to help borrowers understand, build and manage consumer credit, including but not limited to, information on how installment loans work, interest charges, credit scores and the effect of credit scores on future financial decisions, costs of credit, effect of late or missed payments on credit scores, loan payment, understanding the credit reporting system, and best practices for establishing and building good credit.

(c) Before offering any credit education program or seminar to a borrower, the licensee shall submit the following information in writing to the Commissioner for his or her review and approval of the program or seminar:

(1) The name, address, telephone number and email address of the credit education program or seminar,

(2) Name, title and contact information of the program's or seminar's contact person,

(3) Program's or seminar's accreditation, if any,

(4) Format of the program or seminar (classroom, one-on-one, online, etc.),

(5) Address locations where the program or seminar will be held in California,

(6) Name, certifications, and resume of instructors,

(7) Licensee's relationship (business or personal) with any person employed or affiliated with the program or seminar,

(8) Language(s) in which the program or seminar is offered and whether the program or seminar is made available to every borrower in the language in which the loan contract is negotiated,

(9) Copy of program content and program curriculum and all materials used or distributed to the borrower in the program or seminar, in all offered languages, and

(10) Any additional information or materials provided to the borrower after the credit education program or seminar is offered or has been provided.

(d) Within 30 calendar days from the receipt of the information in subsection (c) of this section, the Commissioner shall inform the licensee in writing whether the credit education program or seminar is approved or disapproved for use.

(e) A licensee shall not offer to a borrower any credit education program or seminar that has not been previously reviewed and approved by the Commissioner for use.

(f) A licensee shall maintain a file with the name and contact information for all credit education programs or seminars being offered to borrowers, and a copy of the program curriculum and all materials used or distributed in each program or seminar, in all offered languages, for purposes of compliance.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22370, Financial Code.

29. Section 1609 is adopted to read:

§ 1609. Licensee's Evidence of Compliance with Education Offer.

(a) A licensee shall offer in writing, and at no cost to the borrower, a credit education program or seminar, and provide the borrower with a list of one or more available credit education programs or seminars. The written offer shall include the name of the program or seminar, location of the program or seminar offered, and language in which the program or seminar is offered to the borrower. The licensee shall have the borrower initial and date the written offer, and the licensee shall retain a copy of the written offer with the borrower's initials and date acknowledging receipt in the file.

(b) A licensee shall include a copy of the written offer of a credit education program or seminar with any late notice provided to a borrower.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22370, Financial Code.

30. Section 1610 is adopted to read:

Subarticle 6. Books, Records and Examinations.

§ 1610. Licensee's Evidence of Compliance with Consumer Reporting and Underwriting Standards.

(a) A licensee shall retain for every loan the following documents for purposes of compliance with consumer reporting and loan underwriting standards:

(1) Evidence that the payment performance of each borrower, on every loan made to that borrower, is being reported to one or more of the consumer reporting agencies in the United

States under subdivision (f)(2) of Section 22370 of the Financial Code, and that each borrower is provided with the name of the consumer reporting agency or agencies to which the borrower's payment history will be reported to under subdivision (f)(3) of that same code section.

(2) All evidence of loan underwriting under Section 22370, subdivision (f)(4), of the Financial Code, including a copy of any information obtained through electronic means or relied upon in underwriting the loan.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22370, Financial Code.

31. Section 1611 is adopted to read:

§ 1611. Licensee's Duty to Verify Status of Finder Prior to Compensation.

(a) Before paying any finder, a licensee shall verify that the finder has not been barred from providing services at that location by the Commissioner.

(b) The status of a finder is available at the Department's Web site at www.dbo.ca.gov.

(c) A licensee shall be on notice that the licensee's finder has been barred upon issuance of an order by the Commissioner barring that finder from the specified location(s).

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22374, Financial Code.

32. Section 1612 is adopted to read:

§ 1612. Disclosure to Applicant Concerning Loan Interest and Right to Rescind.

(a) A licensee shall at the time of application provide the applicant with written disclosure concerning the terms of the loan and the applicant's right to rescind the loan as required under Section 22370, subdivision (a)(3), of the Financial Code.

(b) The disclosure required in Financial Code Section 22370, subdivision (a)(3), shall include the following statement: "This loan is made under the Pilot Program for Increased Access to Responsible Small Dollar Loans."

(c) The licensee shall have the applicant initial and date the written disclosure to acknowledge receipt, and the licensee shall retain in the file a copy of the disclosure with the applicant's initials and date acknowledging receipt.

(d) Alternatively, if the disclosure is provided to an applicant by mobile or other electronic application, the licensee shall use procedures established by the licensee to document compliance with the requirements in Financial Code Section 22370, subdivision (a)(4).

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22370, Financial Code.

33. Section 1613 is adopted to read:

§ 1613. Disclosure Notice to Applicant and to Borrower.

(a) At the time a finder receives or processes an application, the finder shall have the applicant initial and date as of that day the disclosure notice required under Section 22373, subdivision (a), of the Financial Code, acknowledging receipt. The finder shall provide a copy of the disclosure notice to the applicant and retain in the file the original disclosure notice with the applicant's initials and date acknowledging receipt.

(b) The licensee shall provide a copy of the disclosure notice in subsection (a) to the borrower within two weeks following the date of the loan consummation, using procedures established by the licensee to document compliance with the requirements in subdivision (b) of Section 22373 of the Financial Code.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22373, Financial Code.

34. Section 1614 is adopted to read:

§ 1614. Books and Records of Finders: Standard for Keeping and Retention Period.

A licensee shall maintain all books, records, accounts and documents for at least three years, at the place(s) of business provided in the finder's registration form in compliance with Section 22157 of the Financial Code, including but not limited to, records demonstrating that the activities and services performed by the finder are in compliance with Section 22372 of the Financial Code, written disclosure notices are provided to applicants in compliance with Section 22373 of the Financial Code, the written agreement between the licensee and finder is in compliance with subdivision (a) of Section 22374 and Section 22376 of the Financial Code, and records of compensation paid to a finder are in compliance with subdivision (b) of Section 22374 of the Financial Code.

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22157, 22372, 22373, 22374, and 22376, Financial Code.

35. Section 1615 is adopted to read:

§1615. Services of Finders.

A finder receives or processes an application under Section 22373, subdivision (a), of the Financial Code when the finder performs one or more of the services for a licensee under Section 22372, subdivision (a), of the Financial Code.

Note: Authority cited: Section 22150, Financial Code. Reference: Sections 22372 and 22373, Financial Code.

36. Section 1616 is adopted to read:

§1616. Counseling or Advice: Prohibited by Finder.

(a) A finder shall not provide counseling or advice to a borrower or prospective borrower under Section 22372, subdivision (b) and (c), of the Financial Code.

(b) Counseling or advice means providing written or oral information to a borrower or prospective borrower that is specific to a loan or to the borrower's or prospective borrower's circumstances.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22372, Financial Code.

37. Section 1617 is adopted to read:

§1617. List of Borrowers: Survey.

For purposes of conducting a survey of borrowers under subdivision (e) of Section 22380 of the Financial Code, a licensee shall upon request make available to the Commissioner a list of all borrowers who participated in the program, regardless of whether a loan was consummated. The information shall include the name and contact information of the borrower, date of the transaction, loan information, location of business, and other such information as deemed necessary by the Commissioner.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22380, Financial Code.

38. Section 1618 is adopted to read:

§ 1618. Notification of Payment and Due Date

(a) Prior to disbursing loan proceeds, a licensee shall inform each borrower that the licensee is required to notify the borrower about payment amounts and due dates at least two days before each payment due date, and that the borrower has the right to opt out of the notification at any time upon electronic or written request to the licensee.

(b) A licensee shall maintain evidence of compliance with Financial Code Section 22370, subdivision (f)(5), using procedures established by the licensee, that the notification required in subsection (a) was provided and of any request by a borrower to opt out of receiving notification.

Note: Authority cited: Section 22150, Financial Code. Reference: Section 22370, Financial Code.