



CA-DFPI Student Loan Servicing License New Application Checklist (Company)

CHECKLIST SECTIONS

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

GENERAL INFORMATION

Who Is Required to Have This License?

Pursuant to the “Student Loan Servicing Act” (California Financial Code Division 12.5, section 28100, et seq.), all persons engaged in the business of servicing student loans in California must be licensed, unless expressly excluded from coverage.

Activities Authorized Under This License

This license authorizes the following activities...

- Non-private student loan servicing
- Private student loan servicing

Pre-Requisites for License Applications

- Student Loan Servicers must continuously maintain a minimum net worth of at least two hundred fifty thousand dollars (\$250,000). They must also maintain a surety bond in a minimum amount of twenty-five thousand dollars (\$25,000), payable to the commissioner, and issued by an insurer authorized to do business in California.

California Department of Financial Protection and Innovation (CA-DFPI) does not issue paper licenses for this license type.

Document Uploads Guidance

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

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.

- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

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

Agency Contact Information

Please refer to the Department of Financial Protection and Innovation website at www.dfpi.ca.gov or contact Department of Financial Protection and Innovation by phone at 866-275-2677 for additional assistance.

Physical Address:

*California Department of Financial Protection and Innovation
Student Loan Servicing Program
2101 Arena Boulevard
Sacramento, CA 95834*

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

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

Complete	CA-DFPI Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	CA-DFPI Application Fee: \$400 This fee includes the investigation fee. NMLS Initial Processing Fee: \$0	NMLS (Filing submission)
<input type="checkbox"/>	Credit Report for Control Persons: \$15 per control person.	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS

Complete	CA-DFPI Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license/registration through NMLS.	NMLS
<input type="checkbox"/>	<p>Financial Statements: Upload an Audited financial statement prepared by an independent Certified Public Accountant in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end. Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant disclosures and notes thereto. If applicant is a start-up company, only an initial statement of condition is required.</p> <p>An applicant of a wholly owned subsidiary of a public holding company required to comply with the reporting requirement of the Securities and Exchange Commission may satisfy the requirement of audited financial statements by submitting the annual consolidated audited financial statements filed with the Securities and Exchange Commission, including consolidating financial statements of the subsidiary.</p> <p>The financial statements must indicate a net worth of at least \$250,000.</p> <p>Note: Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the Financial Statements Quick Guide for instructions.</p>	NMLS

<input data-bbox="138 289 178 331" type="checkbox"/>	<p>Other Trade Name: If operating under a name that is different from the applicant’s legal name, that name (“Trade Name”, “Assumed Name” or “DBA”) must be listed under the <i>Other Trade Names</i> section of the Company Form (MU1). CA-DFPI does not limit the number of other trade names.</p> <p>If operating under an “Other Trade Name”, upload a file endorsed copy of the fictitious business name statement filed in accordance with Chapter 5, commencing with Section 17900, of the California Business and Professions Code for each trade name or dba that the applicant intends to use in California.</p> <p>This document should be named <i>Student Loan Servicer Trade Name – Assumed Name</i>.</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
--	--	---

Complete	CA-DFPI Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	Resident/Registered Agent: The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1).	NMLS
<input type="checkbox"/>	Primary Contact Employees: The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1). <ol style="list-style-type: none"> 1. Primary Company Contact. 2. Primary Consumer Complaint Contact. 	NMLS
<input type="checkbox"/>	Non-Primary Contact Employees: CA-DFPI requires that an individual(s) be identified as a Non-Primary Contact for the following areas. These contacts must be listed in the <i>Contact Employees</i> section of the Company Form (MU1). <ol style="list-style-type: none"> 1. Consumer Complaint (Public) 2. Legal 	NMLS
Note	Bank Account: Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.	N/A
<input type="checkbox"/>	Disclosure Questions: Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company or related control persons (MU2). See the Company Disclosure Explanations Quick Guide for instructions.	Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).
Note	Qualifying Individual: The <i>Qualifying Individual</i> section is not required to be completed for CA-DFPI on the Company Form (MU1).	N/A
<input type="checkbox"/>	Control Person (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable control person before it can be submitted along with the Company Form (MU1).	NMLS
<input type="checkbox"/>	Credit Report: Individuals in a position of control are required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).	NMLS
Note	MU2 Individual FBI Criminal Background Check Not Required Through NMLS: Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize a FBI criminal background check (CBC) through NMLS. A CBC is required outside NMLS. See the Requirements Completed Outside of NMLS section for CBC requirements.	N/A

Complete	CA-DFPI Student Loan Servicing License	Submitted via...										
<div><div><div><div><div><div></div></div></div><div><div></div></div></div></div></div>	<p>Electronic Surety Bond: Electronic Surety Bond via NMLS in the amount described below, furnished and submitted by a surety company authorized to conduct business in California.</p> <p>See the ESB Adoption Table and the ESB for NMLS Licensees page of the NMLS Recourse Center for more information.</p> <p>Note: Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.</p> <p>Surety Bond Requirements Table</p> <table><tr><th><i>Dollar Amount of Loans Serviced</i></th><th><i>Bond Amount</i></th></tr><tr><td>0 - \$50,000,000</td><td>\$25,000</td></tr><tr><td>\$50,000,001 - \$100,000,000</td><td>\$ 50,000</td></tr><tr><td>\$100,000,001 - \$250,000,000</td><td>\$ 75,000</td></tr><tr><td>Over \$250,000,000</td><td>\$100,000</td></tr></table>	<i>Dollar Amount of Loans Serviced</i>	<i>Bond Amount</i>	0 - \$50,000,000	\$25,000	\$50,000,001 - \$100,000,000	\$ 50,000	\$100,000,001 - \$250,000,000	\$ 75,000	Over \$250,000,000	\$100,000	<p>Electronic Surety Bond in NMLS</p>
<i>Dollar Amount of Loans Serviced</i>	<i>Bond Amount</i>											
0 - \$50,000,000	\$25,000											
\$50,000,001 - \$100,000,000	\$ 50,000											
\$100,000,001 - \$250,000,000	\$ 75,000											
Over \$250,000,000	\$100,000											

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	CA-DFPI Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p>Certificate of Authority/Good Standing Certificate: Upload a State-issued and approved document (typically by the Secretary of State's office), dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in the applicant's state of formation and CA.</p> <p>This document should be named <i>[[State prefix] Certificate of Authority OR [State prefix] Certificate of Good Standing]</i>.</p>	Upload in NMLS: under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).
<input type="checkbox"/>	<p>Company Staffing and Internal Policies: Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <ul style="list-style-type: none"> Policies and Procedures, demonstrating compliance with consumer protection and transfer provisions of SLS. Uploaded policies must specifically address required notices of repayment and loan forgiveness options; response to qualified written requests, overpayment policy, servicing transfer policy, and authorized representation (Financial Code, sections 28130 subd.(f)-(h);section 28134; and section 28136, subd. (e). <p>This document should be named <i>Company Policy and Procedures</i></p>	Upload in NMLS: under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).

Complete	CA-DFPI Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p>Document Samples: Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> • Notice of Transfer of servicer • Notice of End of deferment period approaching • Information on Income Driven Repayment and Loan Forgiveness options (annual) • Notice of Default with information on Income Driven Repayment plans, and toll-free telephone number to contact a representative • Acknowledgment of receipt of borrower inquiry or complaint • Notice of resolved complaint, with name and contact of rep who was responsible. • Billing statement, either paper or electronic • Notice of Loan Balance Transfer to Debt Collections Agency <p>These documents should be named <i>Borrower Communications</i>.</p>	<p>Upload in NMLS: under <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Formation Documents: Determine classification of applicant's legal status and submit a copy of the requested applicable documentation detailed below. Original formation documents and all amendments, are required. Entities formed under another state must provide proof of qualification to conduct business in California.</p> <p>Unincorporated Association:</p> <ul style="list-style-type: none"> • By-Laws or constitution (including all amendments). <p>General Partnership:</p> <ul style="list-style-type: none"> • Partnership Agreement (including all amendments). <p>Limited Liability Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Partnership; and • Partnership Agreement (including all amendments). <p>Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Company ("LLC"):</p> <ul style="list-style-type: none"> • Articles of Organization (including all amendments); • Operating Agreement (including all amendments); • IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and • LLC resolution if authority not in operating agreement. <p>Corporation:</p> <ul style="list-style-type: none"> • Articles of Incorporation (including all amendments); • By-laws (including all amendments), if applicable; • Shareholder Agreement (including all amendments), if applicable; • IRS Form 2553 if S-corp treatment elected; and • Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable. <p>Not for Profit Corporation</p> <ul style="list-style-type: none"> • Documents requested of a Corporation; and • Proof of nonprofit status 	<p>Upload in NMLS: under <u>Formation Document</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p>

	<ul style="list-style-type: none"> ○ Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or ○ statement from a State taxing body or the State attorney general certifying that: (i) the entity is a nonprofit organization operating within the State; and (ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or ○ entity's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant; or ○ Any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State or parent organization that the applicant is a local nonprofit affiliate. <p>Trust (Statutory)</p> <ul style="list-style-type: none"> • Certificate of Trust; and • Governing instrument (all amendments). 	
<input type="checkbox"/>	<p>Ownership Chart/Description: Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> • Direct Owners (total direct ownership percentage must equate to 100%) • Indirect Owners (with indirect ownership percentage listed for each indirect owner) • Subsidiaries and Affiliates of the applicant/licensee <p>This document should be named <i>[Company Legal Name] Ownership Chart – Description</i>.</p>	<p>Upload in NMLS: under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Supplemental Information: Provide the information requested in the attached form for servicing activities in this state under California’s Student Loan Servicer Act, as of the prior year end. This information is required to calculate the assessment for the year of licensing, pursuant to Financial Code section 28144(a). This form is only required at the time of application. Required information will be part of the annual report requirements in ensuing years. Click here to access the Supplemental Information Form.</p>	<p>Upload in NMLS: under <u>Additional Requirement Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Appointment Of Commissioner Of the Department of Financial Protection and Innovation As Agent For Service Of Process: Applicants must appoint the Commissioner Of Department of Financial Protection and Innovation As Agent For Service Of Process, by completing and submitting an “Appointment Of Commissioner As Agent For Service Of Process Form.”</p> <p>Click here to access the Appointment Of Commissioner As Agent For Service Of Process Form</p>	<p>Upload in NMLS: under <u>Additional Requirement Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS		
Complete	CA-DFPI Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p>Credit Report Explanations: Submit a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last 3 years, repossessions, loan modifications, etc. Note: Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Legal Name/Status Documentation: Upload documentation of all legal names used within the ten years previous to the date of this application. Also, upload documentation showing applicant's legal status, and authorization to work in the United States. This may be certified copies of divorce decree, marriage certificate, copy of driver's license, passports, etc. This document should be named <i>[Document Name]</i> (Ex. Driver's License, Marriage Certificate, etc.).</p>	<p>Upload in NMLS: under the Document Type <u>Legal Name/Status Documentation</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>State Background Check Authorization: For each individual required to be fingerprinted, applicants must upload to NMLS, as proof of Live Scan completion, a copy (Requesting Agency Copy) of the Department of Justice Request for Live Scan Form.</p> <p>See below for instructions and requirements for fingerprinting.</p> <p>This document should be named <i>[State Abbreviation] – BC Authorization</i>.</p> <p>Note: The results of any background check or report should NOT be uploaded into NMLS.</p>	<p>Upload in NMLS: under the Document Type <u>State Background Check Authorization</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>

NMLS ID Number	
Applicant Legal Name	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	CA-DFPI Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p>California Department of Justice Fingerprinting: All applicants must submit fingerprints through the California Department of Justice. Instructions for obtaining fingerprints will be emailed after the license request is submitted to NMLS.</p> <p>No license will be issued until clearance is received for all persons required to submit fingerprint information under the SLSA.</p> <p>Applicants must submit fingerprinting, through Live Scan, for each of the following persons, who are listed in the applicant's Company Form (MU1), and submit an Individual Form (MU2):</p> <ol style="list-style-type: none"> 1) Applicant, if an individual; 2) The President, Chief Executive Officer, Treasurer, and Chief Financial Officer, of the applicant; 3) The directors of the applicant; 4) The managing members of the applicant, if applicant is a limited liability company; 5) The general and managing partners of the applicant, if applicant is a partnership; 6) The trustee of applicant, if applicant is a trust; 7) Individuals owning or controlling, directly or indirectly, ten percent (10%) or more of the applicant; and 8) Individuals responsible for the conduct of the applicant's servicing activities, such as branch managers and persons in charge of the servicing business of the applicant, at any location for which licensure is applied. <p>The applicant must take the <i>Request for Live Scan</i> form to a Live Scan location to have their fingerprints taken by the operator. The applicant will be required to pay all fingerprint processing fees payable to the Live Scan operator, including the Live Scan operator's "rolling fee," if any, and fees charged by the California Department of Justice, and the Federal Bureau of Investigation. For current information about fingerprint background checks, and Live Scan locations, please visit the Attorney General's website at: https://oag.ca.gov/fingerprints.</p> <p><u>Requirement for Fingerprinting Outside of CA</u></p> <p>The only exception to the requirement to submit fingerprints electronically, through Live Scan, is for those individuals (almost without exception),</p>	<p>Live Scan Location</p> <p><i>For current information about fingerprint background checks, and Live Scan locations, please visit the Attorney General's website at: https://oag.ca.gov/fingerprints.</i></p>

individuals living and working outside California. Those individuals must submit fingerprint cards to the Department of Justice using a Bureau of Criminal Identification fingerprint card, instead of Live Scan. Instructions for the form will be emailed to applicant once license request is submitted to NMLS.

Individuals should complete two fingerprint cards. The applicant should retain the second card, to be used if the first card is determined to be unreadable and rejected by the Department of Justice. Mail the completed Request for Exemption form, and one fingerprint card, together with fees payable, to the "California Department of Justice," to:

Attn: Devin Bragg
California Department of Financial Institution and Innovation
2101 Arena Boulevard
Sacramento, CA 95834

State Background Information Required from Individuals Who Are Not Residents of the United States

In addition to other background information required in the application, applicants must engage a search firm to perform an investigative background report of each individual required to be fingerprinted under the SLSA, who does not currently reside or has not resided in the United States for at least ten years. A copy of the investigative report may be submitted to the Commissioner, by uploading a copy of the report under the Document Type State Background Check in the *Document Uploads* section of the Individual Form (MU2). The search firm must be able to demonstrate that it has sufficient resources and is properly licensed to conduct the background search. The search firm may not be affiliated with or related to the persons who are the subject of the search. The report must be in English. The cost of the report shall be paid by the applicant or individual.

The report shall contain the following, at a minimum:

- 1) A comprehensive credit report and/or history, including the actual credit report, as well as a summary.
- 2) Civil court and bankruptcy court records concerning the applicant or individual, for the past ten years. The search for such records shall include a search of the court data in the country(ies), states, and towns where the person resided or worked.
- 3) Criminal records of the applicant or individual, including felonies, misdemeanors and violations (excluding traffic violations). The search for such records shall include a search of court data in the country(ies), states, and towns where the person resided or worked.
- 4) Education records.
- 5) Employment history during the last ten years.
- 6) Media records referencing the applicant or individual. The search for such records shall include a search of national and local publications, wire services, and business publications.
- 7) Regulatory history, particularly in student loan lending and servicing, lending and servicing, generally, and securities.

The report shall be accompanied by a search summary letter:

	<ul style="list-style-type: none"> • which identifies the scope of the search, • indicates the independence of the search firm from the applicant and the individual(s) who are the subject of the search, and • identifies a person and contact information for that person, who the Commissioner may contact with questions regarding the report. <p>If the applicant or individual has had a report, containing at least the information listed in items 1-7 above, prepared for another licensing agency within 12 months of the filing of the application, the applicant or individual may request permission from that licensing agency or the search firm to submit a copy of that report to the Commissioner. If the applicant or individual elects to submit a prior report as authorized in this subdivision, the applicant or individual shall also submit a statement of no material change in items in the report.</p>	
--	--	--