



CA-DFPI Debt Collection License New Application Checklist (Company)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Who Is Required to Have This License?

The following persons are required to obtain a license to engage in the business of debt collection in California pursuant to the Debt Collection Licensing Act (California Financial Code section 100000, et seq.):

- Any person who, in the ordinary course of business, regularly, on the person's own behalf or on behalf of others, engages in debt collection.
- Any person who composes and sells, or offers to compose and sell, forms, letters and other collection media used or intended to be used for debt collection.
- Any person who engages in the business of a debt buyer. A debt buyer is any person or entity who regularly engages in the business of purchasing charged-off consumer debt for collection purposes, whether it collects the debt itself, hires a third party for collection, or hires an attorney-at-law for collection litigation (California Civil Code section 1788.50.)

License Categories

Affiliate License: For a group of affiliated entities seeking to be licensed under a single license. Affiliate License will have to designate a Primary Licensee. The Primary Licensee will be responsible to pay the application fee. CA-DFPI will invoice the applicant for the \$350 application fee after the application is filed through NMLS. CA-DFPI will issue a single license listing the names of the affiliates. Though there is only one fee invoice for the relationship each affiliate still has to file a Company Form (MU1) and pay the \$150 investigation fee.

Individual License: Applicants that want to file independent of any affiliated companies that might also be applying for a license or have no affiliates. This would include: natural person (sole proprietor), partnership, corporation, limited liability company, trust, estate, cooperative, association, or other similar entity.

Activities Authorized Under This License

This license authorizes the following activities:

- First party debt collection
- Third party debt collection
- First mortgage servicing (only for collections for first mortgages the company holds/owns)
- Third party first mortgage servicing (only for collections for first mortgages the company does not hold/own)
- Third party subordinate lien mortgage servicing (only for collections for subordinate lien mortgage the company does not hold/own)
- Judgment recovery
- Other debt

Pre-Requisites for License Applications

Surety Bond. Debt collectors must submit with the license application and maintain a surety bond in a minimum amount of twenty-five thousand dollars (\$25,000), payable to the Commissioner of the California Department of Financial Protection and Innovation (CA-DFPI) and issued by an insurer authorized to do business in California.

CA-DFPI does not issue paper licenses for this license type. CA-DFPI will email approval of the license to the individual named in the Company Form (MU1) as the Primary Company Contact.

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](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Please refer to CA-DFPI's website at www.dfpi.ca.gov . You can also contact us via voicemail at 916-576-8623 or dcla.inquiries@dfpi.ca.gov for additional assistance.

Physical Address:

*California Department of Financial
Protection and Innovation
Debt Collection Licensing Program
2101 Arena Boulevard
Sacramento, California 95834*

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

NMLS ID Number	
Applicant Legal Name	

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

Complete	CA-DFPI Debt Collection License	Submitted via...
<input type="checkbox"/>	CA-DFPI Application Fee: \$350 Individual Licenses: = The application fee \$350. Affiliate License: One application fee of \$350 will be invoice to the primary MU1 filer	NMLS (Agency Fee Invoice)
<input type="checkbox"/>	Credit Report for Control Persons: \$15 per individual MU2 filer.	NMLS (Filing submission)
<input type="checkbox"/>	Fingerprinting Processing Fees: Live Scan (electronic): \$36.25 CBC Processing Fee Or Paper Card Capture (if Live Scan is not selected): Total \$46.25 (\$36.25 Processing fee and \$10.00 Card Packet Fee)	NMLS (Filing submission)
<input type="checkbox"/>	CA-DFPI Investigative Fee: \$150 Each MU(1) Filer is required to pay an investigation fee.	NMLS (Filing submission for investigative fee)

REQUIREMENTS COMPLETED IN NMLS		
Complete	CA-DFPI Debt Collection License	Submitted via...
<input type="checkbox"/>	<p>Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS.</p> <p>Affiliates applying for a single CA-DFPI debt collector license must each complete and submit a Company Form (MU1) through NMLS.</p>	NMLS
Note	<p>Branch Offices Required To Be Reported Through Branch MU3 Form: If you have branch offices that conduct debt collection activities with California residents, you must register each branch office by completing and submitting a Branch Form (MU3). See the CA-DFPI Debt Collection Branch New Registration Checklist for more information.</p>	N/A
<input type="checkbox"/>	<p>Affiliates Licensees Applicants Only: For each affiliate identified in Item Number 12 of the Company Form (MU1) that are requesting to be licensed under one number, the applicant must provide under “Description” whether the applicant is seeking to be licensed with other affiliate(s) under a single license and if so, the name(s) and NMLS entity ID number(s) of the affiliates, and identify which affiliate is the primary licensee for purposes of examination. Affiliates must provide their NMLS entity ID number to each co-applicant affiliate to enable the affiliates to complete their Company Form (MU1).</p> <p>CA-DFPI requires an organizational chart or document identifying all affiliates and subsidiaries that engage in the business of debt collection or other financial services or settlement services and describing control relationship (s) with affiliates/subsidiaries and control entities (including percentage of interest or ownership). For affiliates seeking to be licensed under a single debt collector license, the organizational chart must also include the name and NMLS entity ID number of each affiliate and identify which affiliate is the primary licensee for purposes of examination.</p>	NMLS
<input type="checkbox"/>	<p>Other Trade Name: If operating under a name that is different from the applicant’s legal name, that name (“Fictitious Business 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 fictitious business name, trade name or dba that the applicant intends to use in California.</p> <p>This document should be named <i>CA-DFPI Debt Collector Trade Name – Assumed Name</i>.</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	Resident/Registered Agent: The Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1). The registered agent must be located in California.	NMLS
<input type="checkbox"/>	Web Addresses: If you have a web address CA-DFPI requires the full web addresses for the applicant and for any separate websites for other fictitious business or trade names listed. Indicate whether business is transacted through the website(s).	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 individuals 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 (MU1) 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).
<input type="checkbox"/>	Control Person (MU2) Attestation: CA-DFPI requires an Individual Form (MU2) for any of the individuals listed below to be completed through NMLS for the following individuals. This form must be attested to by the applicable control person before it is able to be submitted along with the Company Form (MU1). <ul style="list-style-type: none"> • Applicant, if an individual • Directors • Principal officers, including president, chief executive officer, treasurer, chief financial officer and any other officer with direct responsibility for the applicant’s debt collection activities in California • General partners • Managing members • Trustees • Individuals owning or controlling, directly or indirectly, ten percent (10%) or more of the applicant 	NMLS

<input type="checkbox"/>	<p>Qualifying Individual (MU2) Attestation: CA- DFPI requires Individual Form (MU2) to be completed through NMLS for individuals who are responsible for the conduct of the applicant's debt collection activities in California. This should include individuals with decision making or operational responsibility for collection activities in California. This form must be attested to by the applicable control person before it is able to be submitted along with the Company Form (MU1).</p>	NMLS
<input type="checkbox"/>	<p>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 application for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).</p>	NMLS
<input type="checkbox"/>	<p>MU2 Individual FBI Criminal Background Check (CBC) Required Through NMLS: Pursuant to FC 100008, the DFPI has the authority to require CBC through Direct Owners/Executive Officers, Indirect Owners, and other Individuals are required to authorize a FBI criminal background check (CBC) through NMLS.</p> <p>For a general overview of the CBC process, please refer to NMLS: Criminal Background Check. For step by step instructions on completing the CBC Process for MU2s, whether to authorize and grant agency access for existing fingerprints or to schedule appointment for new fingerprints, please reference: Completing the CBC Process for MU2s and Completing the CBC Process for MU2s – Company Perspective</p> <p>Note: If an MU2 filer already has completed fingerprints in NMLS that are less than three years old, they can use the prints they have on file.</p>	NMLS
<input type="checkbox"/>	<p>Electronic Surety Bond: Electronic Surety Bond via NMLS for \$25,000 furnished and submitted by a surety company authorized to conduct business in California.</p> <p>See the ESB for NMLS Licensees page of the NMLS Resource Center for more information.</p> <p>Note: Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.</p>	Electronic Surety Bond in NMLS

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	CA-DFPI Debt Collection License	Submitted via...
<input type="checkbox"/>	<p>Business Plan or Description of Activities: Submit a business plan and/or a description business activities outlining at minimum the following information:</p> <ul style="list-style-type: none"> • Methods that will be used to collect consumer debt. • Any products or services offered to consumers or required to be accepted or purchased by consumers in connection with debt collection activities. • Whether any other business will be solicited or engaged in at the applicant's place(s) of business. • Any additional activities the applicant intends to engage in that are not specified in Item Number 1 of Form MU1. <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</p> <p>Note: If the existing uploaded business plan already includes the above information, an additional document does not need to be uploaded. A company should only upload a single business plan. If state-specific material is required, this information should be added to the existing uploaded business plan.</p>	<p>Upload in NMLS: under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Certificate of Authority/Good Standing Certificate for Entity: Submit a certificate of qualification or good standing from the California Secretary of State and the Secretary of State of the applicant's state of formation for a foreign entity, dated not more than sixty (60) calendar days prior to the filing of the application through NMLS that demonstrates the applicant is authorized to transact business in the state.</p> <p>This document should be named <i>[[State prefix] Certificate of Authority OR [State prefix] Certificate of Good Standing]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Document Samples: If applicable submit 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">• Sample of the initial letter required pursuant to Section 1692g of Title 15 of the United States Code that the applicant will use in correspondence with consumers,• Sample of the notice required pursuant to Section 1788.52, subdivision (d), of the California Civil Code that the applicant will use in correspondence with consumers. <p>Note: If not applicable, please upload an explanation of why this does not apply to your entity.</p> <p>These documents should be named <i>Consumer Communications – [Name of Document]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
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<div data-bbox="142 940 181 982" data-label="Image"></div>	<p>Formation Documents: Determine classification of applicant’s legal status and submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.</p> <p>General Partnership:</p> <ul style="list-style-type: none"> • Partnership Agreement (including all amendments). <p>Limited Liability Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Partnership; and • Partnership Agreement (including all amendments). <p>Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Company (“LLC”):</p> <ul style="list-style-type: none"> • Articles of Organization (including all amendments); • Operating Agreement (including all amendments); • IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and • LLC resolution if authority not in operating agreement. <p>Corporation:</p> <ul style="list-style-type: none"> • Articles of Incorporation (including all amendments); • By-laws (including all amendments), if applicable; • Shareholder Agreement (including all amendments), if applicable; • IRS Form 2553 if S-corp treatment elected; and • Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable. <p>Not for Profit Corporation</p> <ul style="list-style-type: none"> • Documents requested of a Corporation; and • Proof of nonprofit status <ul style="list-style-type: none"> ○ Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or ○ statement from a State taxing body or the State attorney general certifying that: (i) the entity is a nonprofit organization operating within the State; and (ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or ○ entity's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant; or ○ Any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State or parent organization that the applicant is a local nonprofit affiliate. <p>Trust (Statutory)</p> <ul style="list-style-type: none"> • Certificate of Trust; and • Governing instrument (all amendments). <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Formation Document</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
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<input type="checkbox"/>	<p>Management Chart: Submit a Management Chart displaying the applicant's directors, officers, and managers (individual name and title). The following individuals must be included in the Management Chart:</p> <ul style="list-style-type: none"> • Directors • Principal officers, including president, chief executive officer, treasurer, and chief financial officer and any other officer with direct responsibility for the applicant's debt collection activities in California • Any manager or other individual responsible for the applicant's debt collection activities in California • General and managing partners • Managing members • Trustees <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p> <p>Note: If the existing uploaded Management Chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single Management Chart.</p>	<p>Upload in NMLS: under the Document Type <u>Management Chart</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: Applicant must appoint the Commissioner of CA-DFPI as agent for service of process by completing and submitting an "Appointment of Commissioner of Financial Protection and Innovation as Agent for Service of Process" form.</p> <p>Click here to access the Appointment of Commissioner of Financial Protection and Innovation as Agent for Service of Process Form.</p>	<p>Upload in NMLS: under the Document Type <u>Additional Requirement(s)</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Organizational Chart/Description: Submit a chart showing (or a description which includes) the name and the percentage of ownership or interest of:</p> <ul style="list-style-type: none"> • Direct Owners (total direct ownership percentage must equate to 100%) • Indirect Owners <p>Subsidiaries and Affiliates of the applicant/licensee that engage in debt collection or other financial services or settlement services. Describe control relationship(s) with affiliates/subsidiaries and control entities.</p> <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p> <p>Note: If the existing uploaded Organizational Chart/Description already includes the above information, an additional document does not need to be uploaded. A company should only upload a single Organizational Chart/Description. The information required under the Affiliate Licensee section can be added to this chart.</p>	<p>Upload in NMLS: under the Document Type <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Supplemental Request for Information: Submit the following information requested in the Supplemental Request for Information form for debt collection activities as of the prior calendar year-end:</p> <ul style="list-style-type: none"> The total dollar amount of net proceeds generated from California debtor accounts (i.e., accounts that are owed by consumers who resided in California at the time the consumer made payment on the debt.) The information is required to calculate the assessment for the year of licensing pursuant to California Financial Code section 100020, subdivision (a). <p>The Supplement Request for Information is required only at the time of filing an application. The information will be collected thereafter in the licensee's annual report pursuant to California Financial Code section 100021, subdivision (a).</p> <p>Click here to access the Supplemental Request for Information Form.</p>	<p>Upload in NMLS: under the Document Type <u>Additional Requirement(s)</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
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INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS

<input type="checkbox"/>	<p>Credit Report Explanations: Submit a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last three (3) years, repossessions, loan modifications, etc.</p> <p>Note: Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Legal Name/Status Documentation: Submit legal documentation of any legal name/s used within the ten (10) years prior to the date of this application. This could include copy of driver's license, passports, certified copies of divorce decree, marriage certificate, etc.</p> <p>Submit documentation showing the individual's legal status and authorization to work in the United States. The 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>

NMLS ID Number	
Applicant Legal Name	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	CA-DFPI Debt Collection License	Submitted via...
<input type="checkbox"/>	<p>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 Debt Collection Licensing Act who does not currently reside in the United States or has not resided in the United States for at least ten (10) years. This investigative background report shall be required in addition to fingerprinting of the individual.</p> <p>The search firm must have sufficient resources and be properly licensed to conduct the background search. The search firm cannot be affiliated with or related to the applicant or individual who is the subject of the search. The report must be in English, or if the report is in another language, the report must be translated to English and include a translator's certificate. The cost of the report shall be paid by the applicant or individual.</p> <p>The report shall contain the following, at a minimum:</p> <ul style="list-style-type: none"> • A comprehensive credit report and/or history, including the actual credit report if available, as well as a summary. • Civil court and bankruptcy court records concerning the individual for the past ten (10) years. The search for these records shall include a search of the court data in the country(s), state(s), and town(s) where the individual resided or worked. • Criminal records of the individual, including felonies, misdemeanors and violations (excluding traffic violations). The search for these records shall include a search of court data in the country(s), state(s), and town(s) where the individual resided or worked. • Employment history during the last ten (10) years. • Media records during the last ten (10) years referencing the individual. Media records include national and local publications, wire services, and business publications. • Regulatory history, particularly in connection with debt collection activities. <p>The report shall be accompanied by a search summary letter that identifies the scope of the search, indicates the independence of the search firm from the applicant and the individual who is the subject of the search, and identifies an individual from the search firm and the individual's contact information for the Commissioner of CA-DFPI to contact for questions regarding the report.</p>	<p>Email to: dcla.inquiries@dfpi.ca.gov</p> <p>Or</p> <p>Mail to: Department of Financial Protection and Innovation, Debt Collection Licensing Program, 2101 Arena Boulevard, Sacramento, California 95834, for fingerprinting of individuals outside of California.</p>

	<p>If an individual has had a report containing at least the information listed above prepared for another licensing agency within twelve (12) months of the filing of this 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 of CA-DFPI through NMLS. If the applicant or individual elects to submit a prior report, the applicant or individual shall also submit a statement of no material change to the information in the report through NMLS. The statement must include the name of the individual and the license applicant and be dated and signed by the individual or license applicant.</p> <p>This document should be named <i>Investigative Background Report</i>.</p>	
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