



STATE OF LOUISIANA  
OFFICE OF FINANCIAL INSTITUTIONS  
BATON ROUGE, LOUISIANA



Dear Sir/Madam:

A loan broker is defined as any person who for compensation or the expectation of compensation, obtains or offers to obtain a consumer loan or federally related mortgage loan from a third party either for another person domiciled in Louisiana... if the broker is operating in Louisiana.

On January 1, 2000, Act 1098 from the 1999 legislative session became effective. This Act requires loan brokers who engage in mortgage brokering to be licensed as Residential Mortgage Lenders rather than loan brokers.

The enclosed application packet includes the following:

- Loan Broker applications (LB-1) and Employee Loan Broker applications (LBE-1)
- Employee verification form (LB-3)
- "Authority to Obtain Information From Outside Sources" form (LB-5 and LBE-2)
- Affirmative Agreement (LB-6)
- Surety Bond form (LB-7)
- Sample "Loan Brokerage Agreement and Disclosure Statement" required by state law (LB-S)
- Common questions from applicant (LB-A)
- Check List (LB-B)
- Loan Broker statutes (LSA-R.S. 9:3572.1-12) (LB-F)

If the applicant is a corporation, you must submit:

1. **A \$25,000 SURETY BOND IN THE COMPANY'S NAME**
2. **An application for the corporation, along with a \$500 fee;**
3. **An additional "EMPLOYEE ONLY"  
APPLICATION (LBE), \$100 FEE and verification  
form for each person employed by the corporation who acts  
as a loan broker, originator, interviewer, etc.**

**Note:** Every corporation must have at least one natural person who is licensed as a loan broker in addition to the corporation's loan broker license.

The application process takes approximately four to six weeks to complete. If you have not received either your license or a denial letter after six weeks you may contact the License Application Manager, Destry Graves, at (225) 922-0638.

Sincerely,

John P. Ducrest  
Commissioner of Financial Institutions

OFFICE OF FINANCIAL INSTITUTIONS  
NON-DEPOSITORY DIVISION  
POST OFFICE BOX 94095  
BATON ROUGE, LOUISIANA 70804-9095  
(225) 922-0638

## LOAN BROKER APPLICATION FORM

(Use a separate application form for each loan broker applicant)

### PUBLIC SECTION

Provide the name and telephone number of the person who completed this application.

Name \_\_\_\_\_ Phone number \_\_\_\_\_ FAX: \_\_\_\_\_

1. Full name of applicant if a **corporation**: \_\_\_\_\_  
Full name of applicant if an **individual**: \_\_\_\_\_  
Trade name if applicable: \_\_\_\_\_  
Refer to item (J) on CHECKLIST

2. **If applicant is a natural person/sole proprietor:**

- a. Business physical address: \_\_\_\_\_  
(City) (State) (Zip)
- b. Location where records will be maintained: \_\_\_\_\_  
(City) (State) (Zip)

**NOTE: This application is for non-employee brokers filing as an individual or sole proprietors. If applicant is an employee/broker not submitting a surety bond, please complete and submit the attached Employee Loan Broker Licensure Form in lieu of this application.**

3. **If applicant is a corporation or L.L.C.:**

- a. Date incorporated (organized if L.L.C.): \_\_\_\_\_  
b. State of incorporation (organization if L.L.C.): \_\_\_\_\_  
c. Mailing address to be used for correspondence: \_\_\_\_\_  
d. Physical address of applicant's main corporate office: \_\_\_\_\_  
\_\_\_\_\_  
e. Location where records will be maintained: \_\_\_\_\_  
(City) (State) (Zip)

4. Applicant's agent for service of any legal process. Your agent must be a Louisiana resident. You must identify a physical address for such service. Provide evidence that the agent has accepted this responsibility.

\_\_\_\_\_  
(Name) (Telephone Number)  
\_\_\_\_\_  
(Address)

**CONFIDENTIAL SECTION**

5. If applicant is a **natural person/sole proprietor**:
- a. Date of Birth: \_\_\_\_\_
  - b. Place of Birth: \_\_\_\_\_
  - c. Home physical address: \_\_\_\_\_
6. If applicant is a **corporation or L.L.C.**:
- a. Name, address and title of all officers or other persons who directly or indirectly exercise a controlling influence over the management or policies of the corporation. (Attach list if necessary)  
\_\_\_\_\_  
\_\_\_\_\_
  - b. Name, address and number of shares owned or controlled by each stockholder owning or controlling at least 10 percent of the company's outstanding stock. (Attach list if necessary)  
\_\_\_\_\_  
\_\_\_\_\_
  - c. Name and address of each employee broker applying for a broker's license under the Corporation's bond. (Attach LBE for each)  
\_\_\_\_\_  
\_\_\_\_\_
7. Number of loans brokered during the past one-year period: \_\_\_\_\_
8. Name and address of each lender through which the applicant will broker loans:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
9. If applicant is a subsidiary of a foreign (out of state) corporation, partnership, association or person, list the full name and address of the parent:  
\_\_\_\_\_  
\_\_\_\_\_
10. Name and address of applicant's primary banking facility:  
\_\_\_\_\_  
\_\_\_\_\_
11. Has the applicant ever been refused a license or registration or has a license or registration ever been revoked or suspended under the provisions of a similar law in this state or any other state? \_\_\_\_ Yes \_\_\_\_ No
- If the answer is yes, list full details on attached sheet.

12. Has the applicant, any of the principals, owners, officers, directors, partners or members:
- a. Ever been convicted of any criminal charge under any state or federal law? As used herein, "convicted" means a finding of guilt, including a plea of guilt or of nolo contendere, or imposition of sentence, or both.  
( ) Yes ( ) No
  - b. Ever been held liable for fraud in any civil suit? ( ) Yes ( ) No

If answered yes to any of these questions, provide complete details on a separate sheet.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**Signature:** \_\_\_\_\_  
**(Signature of preparer as authorized in attached corporate board Resolution)**

\_\_\_\_\_  
 Printed Name and title

\_\_\_\_\_  
 Name of Company

\* \* \* \* \*

**STATE OF** \_\_\_\_\_

**PARISH OR COUNTY OF** \_\_\_\_\_

Before me, the undersigned authority, personally came and appeared \_\_\_\_\_ who, first being duly sworn, declared under oath that he/she is the \_\_\_\_\_ of the \_\_\_\_\_ and that all statements and representations made in the foregoing registration are true and correct to the best of his/her knowledge and belief.

**Signature** \_\_\_\_\_  
**(Signature of authorized preparer, same as above)**

\* \* \* \* \*

Sworn to and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

at \_\_\_\_\_, \_\_\_\_\_  
 (City) (State)

\_\_\_\_\_  
**(Signature of Notary Public)**

\_\_\_\_\_  
**(Print name of Notary Public)**

**LOUISIANA OFFICE OF FINANCIAL INSTITUTIONS**  
**8660 United Plaza Boulevard, 2<sup>nd</sup> Floor**  
**Baton Rouge, LA 70809**  
**(225) 925-4660**

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**FINGERPRINT CARD INFORMATION**

Act 236 of the 2006 Regular Session of the Louisiana Legislature amended LSA-R.S. 6:121.2 effective June 2, 2006. This section authorizes the Commissioner of Financial Institutions to request and obtain state and national criminal history record information on any person applying for any license with the Office of Financial Institutions, as well as require any applicant for any license to submit two full sets of fingerprints in a form or manner prescribed by the Commissioner as a condition of the Commissioner's consideration of their application.

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**WHO MUST SUBMIT FINGERPRINT CARDS:**

- 1) **Owner(s):** Sole Proprietors; partners and general partners, if partnership; trustees; members and general members, if an LLC; and 10% or greater equity owners.
- 2) **Director(s):** All directors.
- 3) **Officer(s):** Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, Executive Vice President(s), Corporate Secretary, Treasurer, or individuals of similar status or function.

**WHAT MUST BE SUBMITTED:**

- 1) Two original Form FD 258 fingerprint cards, or equivalent, which can be obtained from your local law enforcement office. The form on these cards must be **completely** filled out. Louisiana State Police will not process incomplete cards. Incomplete cards will be returned.
- 2) \$45.25 nonrefundable criminal background processing fee made payable to the Office of Financial Institutions. (This fee is in addition to the application fee.)
- 3) Completed Authority to Obtain Information from Outside Sources Form, signed and notarized (included in application package).
- 4) Completed Louisiana State Police Bureau of Criminal Identification and Information Form, signed and notarized (included in application package). Louisiana State Police will not process incomplete forms. Incomplete forms will be returned.

**IMPORTANT NOTICE**

**Applicants submitting fingerprint cards that are smudged or unreadable will be required to resubmit new cards at no additional cost. This will add to the processing time of the application.**



## AFFIRMATIVE AGREEMENT

Before your application for licensure to broker loans as provided by LSA-R.S. 9:3572 et seq. of the Louisiana Consumer Credit Law is approved, you must agree to the following stipulations. You are to read each condition carefully then sign, date, and return this agreement with the application. **Failure to abide by these conditions may result in the revocation of your license.**

1. Broker agrees that every "Loan Brokerage Agreement and Disclosure Statement" and any other contracts shall be in writing and signed by all contracting parties; a copy of the contract will be given to the prospective borrower at the time he signs the contract; and the broker will maintain a copy of same for review by the Office of Financial Institutions.
2. Broker agrees to maintain a copy of all Federal Disclosure Statements for each brokered loan for review by the Office of Financial Institutions.
3. Broker agrees to broker loans only to a lender licensed, or exempt from licensure, by the Office of Financial Institutions.
4. Broker agrees not to assess, contract for, or receive any type of fee, interest, or other charge prior to loan closure, except for an expense deposit which shall not exceed the good faith estimate of the actual cost of any appraisal, title search, or credit report. In the event the good faith estimate exceeds actual expenses, the broker agrees to immediately refund the excess amount to the consumer.
5. Broker agrees to comply with all applicable state and federal laws and regulations.
6. Broker agrees that failure to maintain surety bond coverage in the amount of \$25,000 will result in revocation of the loan broker license.

LSA-R.S. 9:3572.12(C) states "The commissioner may, after a hearing pursuant to the Administrative Procedure Act, suspend or revoke the license of a loan broker, upon finding that the loan broker violated a provision of this Part or a rule or regulation of the commissioner issued pursuant thereto, or that the loan broker willfully, either orally or in writing, misrepresented the terms, benefits, privileges, or provisions of any service contract issued or to be issued by the loan broker or by any lender."

Return this agreement with the signature of the authorized person indicating agreement to the conditions listed above. Upon receipt of the completed application including this signed agreement, review of your application may begin.

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Signature of Authorized Person

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Date signed

# LOAN BROKER'S BOND

STATE OF \_\_\_\_\_  
COUNTY OR PARISH OF \_\_\_\_\_  
CITY OF \_\_\_\_\_

BOND NO. \_\_\_\_\_

Be it known that I/We

(Name) \_\_\_\_\_  
(Applicant's name)

(Address) \_\_\_\_\_  
as principal, and

(Name) \_\_\_\_\_  
(Surety Company's name)

(Address) \_\_\_\_\_

as surety, are held and firmly bound unto the State of Louisiana in the full sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) for payment of which we do hereby bind ourselves, our heirs, successors, administrators and assigns according to all the terms and conditions provided by LSA-R.S. 9:3572.1 - 3572.12, or hereinafter stated.

The terms of this bond shall be continuous. The surety on said bond may terminate the bond upon giving a sixty-day written notice of the Office of Financial Institutions and the principal; however, the liability of the surety for the acts of the principal shall continue during the sixty-day period. The notice shall not release the surety from liability, which accrues before the termination becomes final, but which is discovered after that date.

The conditions of this bond are as follows:

- (1) The bond shall be in favor of the State of Louisiana for the use, benefit, and indemnity of any persons who suffer any damage or loss as a result of the loan broker's breach of contract or of any obligation arising therefrom, or by any violation of law, and for the attorney general seeking additional relief under LSA-R.S. 51:1408. **The surety bond must be mailed to the Office of Financial Institutions, P.O. Box 94095, Baton Rouge, LA 70804-9095.**
- (2) The state or any person claiming against the bond may maintain an action for damages or other relief against the principal or the surety, or both. The liability of the surety for all breaches of the conditions of the bond provided herein shall in no event exceed the amount of the bond.

Signed at \_\_\_\_\_, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in the presence of the subscribing competent witnesses.

\_\_\_\_\_  
PRINCIPAL (Name of Applicant)

\_\_\_\_\_  
SURETY (BONDING COMPANY)

by \_\_\_\_\_  
(SIGNATURE of Authorized Person)

Countersigned by:

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(SIGNATURE) Louisiana Resident Agent

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Type) Name of Louisiana Resident Agent



**SAMPLE**

**THE FOLLOWING IS A SAMPLE OF WHAT IS TO BE INCLUDED IN A “LOAN BROKERAGE AGREEMENT AND DISCLOSURE STATEMENT.” YOU SHOULD COMPLETE THE INFORMATION ON YOUR COMPANY AND SUBMIT IT WITH THE APPLICATION AS YOUR SAMPLE DOCUMENT. REFER TO LSA-R.S. 9:3572.11.**

**THE DOCUMENT MUST BE TYPED IN AT LEAST “10” POINTS.**

# LOAN BROKERAGE AGREEMENT AND DISCLOSURE STATEMENT

## DISCLOSURE REQUIRED BY LOUISIANA LAW

The State of Louisiana does not approve or disapprove any loan brokerage contract. The information contained in this disclosure has not been verified by the state. If you have any questions see an attorney before you sign a contract agreement.

**UNITED FEDERAL AMERICAN FINANCE, INC.**  
**2200 Mortgage Blvd., Suite 200**  
**Baton Rouge, LA 70737**

United Federal American Finance, Inc. (UFAF) is a Louisiana corporation and was incorporated June 24, 1995. UFAF is a wholly owned subsidiary of JVF Corp., Inc. and an affiliate of JVF Settlement Enterprises and JVF Collections, Inc. JVF Settlement Enterprises will provide settlement services. UFAF is doing business under no other names.

UFAF began operations as a loan broker on **(date of approval by OFI.)**

### SERVICES TO BE PERFORMED:

- (a) taking information from the borrower and filling out the application;
- (b) analyzing the prospective borrower's income and debt and pre-qualifying the prospective borrower to determine the maximum loan that the prospective borrower can afford;
- (c) educating the prospective borrower in the financing process, advising the borrower about the different types of loan products available, and demonstrating how closing costs and monthly payments would vary under each product;
- (d) providing disclosures (truth in lending, good faith estimate, others) to the borrower; and
- (e) assisting the borrower in understanding and clearing credit problems.

### OTHER SERVICES, DUTIES OR OBLIGATIONS

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As required by Louisiana law, this loan broker has secured a bond issued by **name and address of surety company**, a surety authorized to do business in this state. A certified copy of this bond is filed with the Office of Financial Institutions. Before signing a contract with this loan broker, you should check with the surety company to determine the bond's current status.

### LOAN BROKERAGE AGREEMENT

This agreement is made and entered into on \_\_\_\_\_ by and between **UFAM** with its principal place of business located at **1324 W Money Lane Ste.1, New Orleans, LA 99999** hereinafter referred to as "**Broker,**" and the below signed applicant(s) hereinafter referred to as "**Borrower.**"

### COMPENSATION

Compensation for **Broker's** services rendered on behalf of **Borrower** shall be equal to \_\_\_\_\_% of the principal loan amount with said fees to be paid directly to **Broker** from the loan proceeds at the time of settlement. This fee is not imposed by the Lender; however, it may be disclosed by the Lender in connection with other services.

In addition to the broker fee paid to **Broker** by **Borrower** at settlement, **Broker** may receive additional amounts from the Lender such as servicing release fees or yield spread premiums based on the difference in the Lender's wholesale rates and the retail note rate paid by the **Borrower** on the loan.

If the loan is denied or does not close by the expiration of this contract through no fault of the **Borrower**, said **Borrower** is only liable for actual expenses incurred for the appraisal, credit check and title search.

**DUTIES OF APPLICANT**

**Borrower** agrees to provide **Broker** true, complete and accurate information upon request and to pay all fees required pursuant to this Agreement.

**TERM**

The original term of this agreement shall be from date signed until the date of loan closing, but no later than 30 days from the date of this agreement.

**SERVICES**

**Broker** agrees to perform all loan broker services normally and customarily performed in connection with the origination of consumer loans but not limited to the services described above. **Broker** and **Borrower** both agree that under this Agreement, **Broker** is providing loan brokering services on behalf of **Borrower** as **Borrower's** agent.

**AFFIRMATION AND CANCELLATION BY BORROWER**

This agreement contains the entire agreement between **Broker** and **Borrower** and supersedes all prior agreements or understandings relating to the subject matter thereof. There are no written or oral agreements between the parties other than set forth in this agreement.

By signing below, the **Borrower** acknowledges receipt of this Loan Brokerage Agreement and Disclosure Statement. Furthermore, the **Borrower** understands that he or she has the right to cancel this Loan Brokerage Agreement and Disclosure Statement until midnight of the fifth business day following his or her signing of this document. Such right shall be considered exercised when written notification has been postmarked or otherwise delivered to the **Broker's** designated place of business within the prescribed time.

\_\_\_\_\_  
**Broker's Signature**                      **Date**

\_\_\_\_\_  
**Borrower's Signature**                      **Date**

\_\_\_\_\_  
**Borrower's Signature**                      **Date**

\_\_\_\_\_  
**Witness**                                      **Date**

\_\_\_\_\_  
**Witness**                                      **Date**

- Original for broker
- Copy for borrower

## COMMON QUESTIONS, MISTAKES AND OMISSIONS MADE BY APPLICANTS

- 1. Who must be licensed?**  
Any person who, for compensation or the expectation of compensation, obtains or offers to obtain a consumer loan from a third party either for another person domiciled in Louisiana, or for another person wherever domiciled, if the broker is operating in Louisiana. **In the case of a corporation, there must be at least two applications:** One for the corporation; and one for each loan officer, originator, interviewer or other person acting as a loan broker who is employed by the corporation.

“An employee is a natural person who receives a salary from which taxes are withheld and for whom the corporation pays social security taxes.”
- 2. What is the fee for licensure?**  
\$500. If the applicant is a corporation, an additional \$100 is due for **each** employee which brokers loans.
- 3. What is the renewal fee?**  
\$500 and \$100 for each licensed employee. You should be notified, via mail, in October of each year that your renewal is due. However, if you do not received this notice, it is your responsibility to contact this Office prior to renewal due date.
- 4. When is my renewal due?**  
Your renewal application and fee(s) are due post-marked no later than January 1 of each successive year.
- 5. If I apply as a corporation, do I submit an application just for the corporation?**  
No. An application and \$100 fee must be submitted for each employee that performs loan broker services.
- 6. Does the corporation and each employee loan broker have to obtain a \$25,000 bond?**  
No. One \$25,000 bond in the name of the corporation is all that is required for the corporation and its employees. **If an individual receives a commission check for the gross amount or receives a Form 1099 for tax purposes, they are considered an independent broker, and a separate license and bond is required.**
- 7. What is a foreign corporation?** It is a corporation originally chartered in another state.  
**What is an alien corporation?** It is a corporation chartered in another country.
- 8. Do I send the original bond with my application to the Office of Financial Institutions?**  
YES.
- 9. What type of financial statement must I submit?**  
The financial statement must be that of the applicant and less than six months old. If an audited statement is available, a copy of the audited statement is preferred. If no audited statement is available, a current financial statement of the applicant signed and dated by the owner or authorized officer will be accepted.
- 10. What type of contracts or loan documents do I need with my application?**  
A copy of the “Loan Brokerage Agreement and Disclosure Statement” and the loan application form.

# CHECK LIST

ATTACH THE FOLLOWING ITEMS: **Incomplete applications may be returned and not processed.**

- ( ) A. A \$500 check, or money order payable to the Commissioner of Financial Institutions (cash can not be accepted) and **\$100.00 for each person employed by the corporate applicant to broker loans.**  
  
An application must be submitted for the corporation, and a **separate** application for each employee who will broker for the corporation.
- ( ) B. The original or a certified copy of the \$25,000 surety bond. If you choose to establish a \$25,000 trust account in lieu of a surety bond, evidence thereof must be included. Contact OFI for necessary papers to establish a trust.
- ( ) C. Two (2) Original Fingerprint Cards (including fingerprints, printed name, signature, social security number, and date of birth) and \$45.25 background processing fee. (Note: See Fingerprint Card Information form for Instructions)
- ( ) D. Louisiana Police Bureau Criminal Identification and Information Form must be completed. Louisiana State Police will not process incomplete forms. Incomplete forms will be returned. (See Fingerprint Card instructions.)
- ( ) E. An employee verification form for each broker who is an employee of the corporation.
- ( ) F. Authority to Obtain Information from Outside Sources form for each broker who is an employee of the corporation.
- ( ) G. A Resolution of the Corporation's Board of directors authorizing the person that signed the application to do so on behalf of the corporation. The resolution should so state and be signed by the secretary.
- ( ) H. A copy of corporate papers (certificate of incorporation and articles of incorporation) and any amendments.
- ( ) I. If applicant is a foreign (out of state) corporation, provide a copy of the certificate authorizing the corporation to do business in Louisiana. Contact the Louisiana Secretary of State at (225) 925-4704.
- ( ) J. A sample copy of applicant's loan application
- ( ) K. A copy of the "Loan Brokerage Agreement and Disclosure Statement" (titled as such) between broker and borrower. (See attached sample)
- ( ) L. If a corporate trade name is used, attach a copy of the Certificate of Registration of Trade Name as filed with the Secretary of State's Office. If an assumed name is used (entities other than corporations), attach a copy of the Certificate of Registration of Assumed Name as filed in each parish you intend to do business and/or as filed with the register of conveyance in the city of New Orleans, if doing business in Orleans parish.
- ( ) M. If the applicant is a partnership, a certified copy of the partnership agreement.
- ( ) N. A financial statement of the applicant signed and dated by the owner or an officer if incorporated; or signed and dated by the individual if applicant is a sole proprietor.
- ( ) O. An "Authority to Obtain Information from Outside Sources" form for **each** officer, director, 10% or greater and broker.
- ( ) P. Sign and submit the Affirmative Agreement, page 6 of the application.
- ( ) Q. Agent of Service of Process acceptance. This is the individual located in Louisiana who is authorized to accept legal documents.

## USE FOR EMPLOYEES OF CORPORATIONS ONLY

Dear Applicant:

This application form must be completed by corporations for each employee that will engage in loan broker activity in the name of and for the corporation.

An ***“employee”*** is any natural person who is employed by a corporation to provide services in return for receiving compensation. The compensation must be net of applicable federal and state withholding taxes and the corporation must also pay Social Security taxes based on the employee’s compensation.

An employee engaging in loan broker activity while representing his employer which is a corporation with a loan broker license is considered an extension of the corporation and no additional surety bond for the employee is required.

If the employee meets the above definition, then the ”Application ” and “Authority to Obtain Information From Outside Sources” forms must be completed by the applicant, notarized and submitted to this office for consideration along with the “Employee Verification Form” completed by the authorized corporate officer. **A certified check or money order for \$100 payable to the Office of Financial Institutions must be included with each application.**

If a person engaged in loan brokering activity does not conform to this definition, the applicant must complete the application form for an individual and obtain a \$25,000 surety bond in their own name.

If you have any questions concerning the application, you may contact the Non-Depository Application Manager, Destry Graves at (225) 922-0638.

# AUTHORITY TO OBTAIN INFORMATION FROM OUTSIDE SOURCES

**THIS FORM MUST BE SUBMITTED FOR EACH CORPORATE EMPLOYEE LOAN BROKER**

Name: \_\_\_\_\_ Social Security #: \_\_\_\_\_

Home Address, City, State, Zip Code: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Home Telephone No: \_\_\_\_\_

Read the following questions carefully. If the answer is "yes" to any of the questions, attach a full written explanation. Include names, dates, court name and address, case number, judgment amounts.

Have you ever been convicted of, plead guilty to, or entered a plea of Nolo Contendere (no contest) to a felony, including any which may have been expunged, set aside or for which you received a first offense pardon? ( ) Yes, attach explanation ( ) No

Have you ever been convicted of, plead guilty to, or entered a plea of Nolo Contendere (no contest) to any misdemeanor involving theft, fraud, or dishonesty, including any which may have been expunged, set aside or which you received a first offense pardon? ( ) Yes, attach explanation ( ) No

Have you been refused a license or permit to do business under the provisions of a similar law or subject to any enforcement proceedings by any State or Federal government agency involving the revocation or suspension of any business license or permit, fines or penalties? ( ) Yes, attach explanation ( ) No

Have you been discharged for cause or been requested to resign from any employment position? ( ) Yes, attach explanation ( ) No

Have you been the subject of a bankruptcy, assignment for the benefit of creditors, receivership, conservatorship, or any similar proceeding? ( ) Yes, attach explanation ( ) No

Are there any civil proceedings pending against you or civil judgments entered against you which involve fraud or dishonesty? ( ) Yes, attach explanation ( ) No

Have any civil judgments been entered against you during the past 10 years? ( ) Yes, attach explanation ( ) No

I hereby authorize the licensing authority, to make inquiries from any financial institution, credit bureau, current and former employers, law enforcement agency and any other person or any agent acting on its behalf, any information they have, including without limitation my creditworthiness, character, ability, business activities, education background, general reputation, history of my employment and, in the case of former employers, complete reasons for my termination for the purpose of determining my financial responsibility, character and fitness in connection with any renewal or application for a license or registration. I affirm that I have executed this form of my own free will and have read and understand the items and instructions; my answers (including attachments) are true and complete to the best of my knowledge. I understand that I am subject to administrative, civil or criminal penalties if I give false or misleading answers. **FALSE OR MATERIALLY INCOMPLETE ANSWERS ARE GROUNDS FOR DENIAL OR REVOCATION.**

I hereby certify that the information on this form is, to the best of my knowledge, complete and accurate.

\_\_\_\_\_  
Signature

SUBSCRIBED BEFORE ME ON THIS \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

AT: \_\_\_\_\_, \_\_\_\_\_  
(CITY) (STATE or COMMONWEALTH)

**PRINT NAME OF NOTARY PUBLIC:** \_\_\_\_\_ **SIGNATURE OF NOTARY PUBLIC:** \_\_\_\_\_

# EMPLOYEE LOAN BROKER APPLICATION FORM

(Submit a separate licensure form for each employee/loan broker applicant)

Provide the name and telephone number of the person who completed this application.

Name \_\_\_\_\_ Telephone Number \_\_\_\_\_ FAX \_\_\_\_\_

1. Full name of employee loan broker: \_\_\_\_\_
2.
  - a. Date of Birth: \_\_\_\_\_
  - b. Place of Birth: \_\_\_\_\_
  - c. Home physical address: \_\_\_\_\_
  - d. Social Security Number: \_\_\_\_\_
  - e. Business address from which you will broker loans: \_\_\_\_\_
3. List the name and address of the corporation with which the employee loan broker is employed. \_\_\_\_\_  
\_\_\_\_\_
4. Has the employee applicant ever been refused a license or registration to do business under the provisions of a similar law or has license or registration ever been revoked or suspended in this state or any other state?  
 Yes  No
5. (a) Has the employee applicant ever been convicted of any criminal charge under any state or federal law? As used herein, "convicted" means a finding of guilt, including a plea of guilt or of nolo contendere, or imposition of sentence, or both.  Yes  No  
  
(b) Ever been held liable for fraud in any civil suit?  Yes  No

If the response to any of these questions was yes, provide complete details on a separate sheet.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Signature: \_\_\_\_\_  
(Signature of employee/broker)

\_\_\_\_\_  
(Printed name of employee)

STATE OF \_\_\_\_\_  
PARISH OR COUNTY OF \_\_\_\_\_

Before me, the undersigned personally came and appeared who, first being duly sworn, declared under oath that he/she is an employee of the (Company name) \_\_\_\_\_ and that all statements and representations made in the foregoing application are true and correct to the best of his/her knowledge and belief.

Signature \_\_\_\_\_  
(Signature of employee/broker)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(Signature of Notary Public)

\_\_\_\_\_  
(Print name of Notary Public)



# FORM

**Must be completed and submitted for each corporate employee broker who is an employee of the Corporation. (Make copies as needed)**

I hereby affirm or attest that \_\_\_\_\_ is an employee of \_\_\_\_\_ and will be acting on the corporation's behalf as a loan broker. As an employee, state and federal income taxes as well as social security taxes are withheld from the employee's gross income. I further affirm that he/she is covered under the corporation's surety bond as a bona fide employee.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

**Employee Information:**

SS#: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Home Address: \_\_\_\_\_

Signature: \_\_\_\_\_

(Signature of authorized Corporate Officer)

(Print name and title)

\* \* \* \* \*

STATE OF \_\_\_\_\_

PARISH OR COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, personally came and appeared (Officer's name) \_\_\_\_\_ who, first being duly sworn, declared under oath that he/she is the (Title) \_\_\_\_\_ of the (Company name) \_\_\_\_\_ and that all statements and representations made in the foregoing registration are true and correct to the best of his/her knowledge and belief.

Sworn to and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_,  
at \_\_\_\_\_ (City), \_\_\_\_\_ (State).

\_\_\_\_\_  
(Signature of Notary Public)

\_\_\_\_\_  
(Print name of Notary Public)

**NOTE: THIS DOCUMENT MUST BE SIGNED BY AN AUTHORIZED OFFICER OF THE CORPORATION AND NOTARY.**

# CERTIFICATE OF RESOLUTION

*This form must be completed by all applicants, except sole proprietors, and must include the applicant's full name, including trade name(s), D/B/A name(s), or assumed name(s), if applicable.*

This is to certify that at a meeting of the  Board of Directors/or  Members/ or  Partners of

\_\_\_\_\_ held at  
Name of applicant/company  
organized under the laws of the State / Commonwealth of \_\_\_\_\_

\_\_\_\_\_ , \_\_\_\_\_ , \_\_\_\_\_  
Street address City State Zip Code  
on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the following resolution was

duly and legally presented and adopted, to wit:

It being the desire and purpose of \_\_\_\_\_

\_\_\_\_\_ Name of applicant/company  
to be licensed or registered, BE IT RESOLVED, that \_\_\_\_\_

\_\_\_\_\_ Name of authorized representative  
who is the \_\_\_\_\_ of this  limited liability company,  corporation,

\_\_\_\_\_ Title of authorized person  
 limited partnership, or  general partnership is, in his/her official capacity, hereby authorized

and directed to prepare, execute, verify, and present to the proper state authorities, for filing, a written application for licensure or registration. Further, he/she is hereby authorized and empowered to make, sign

and execute all documents pertaining to the application and to perform every act whatsoever as required to

file the application on behalf of \_\_\_\_\_

\_\_\_\_\_ Name of applicant/company

## AUTHORIZED SIGNATURE

(If corporation, this form must be signed by Secretary)

\_\_\_\_\_  
**Print Name**

\_\_\_\_\_  
**TITLE :**

\_\_\_\_\_  
**DATE:**

## PART XIV: LOAN BROKERS

### §3572.1. Loan broker defined

A “loan broker” is defined as any person who, for compensation or the expectation of compensation, obtains or offers to obtain a consumer loan or federally related mortgage loan from a third party either for another person domiciled in Louisiana, or for another person wherever domiciled, if the broker is operating in Louisiana.

### §3572.2. Exemptions; licensing and bonding; loan broker

A. The following shall be excepted from the licensing and bonding provisions of this Part:

- (1) A supervised financial organization that is exempt from the requirement of licensure as a licensed lender.
- (2) A lender licensed by the commissioner of financial institutions to make consumer loans pursuant to the Louisiana Consumer Credit Law.
- (3) An officer, director, or employee of the entities listed in Paragraph (1) or (2) of this Subsection when such person is acting within the scope of his duties to that supervised financial organization or licensed lender.
- (4) Persons subject to licensing, supervision, or auditing by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Veterans Administration, or the United States Department of Housing and Urban Development as an approved seller, servicer, or issuer, provided that all brokered loans comply with a program administered by a federal agency in which the broker is approved, licensed, supervised, or audited and provided further that all broker=s loans are subject to oversight by the approving federal agency.

B. The following shall be excepted from the definition of a loan broker:

- (1) An attorney licensed to practice law in the state of Louisiana when such attorney is not actively engaged in the business of brokering consumer loans or federally related mortgage loans and when the brokering is incidental to the provision of other legal services.
- (2) A person licensed by the Louisiana Real Estate Commission who arranges financing in the normal course of representation of a client for the purchase, sale, lease, or rental of real estate.
- (3) A person licensed as an insurance agent or broker by the Louisiana Department of Insurance who arranges for the financing of insurance premiums with a financial institution or licensed insurance premium finance company, when the compensation received or expected to be received is paid only by the financial institution or insurance premium finance company.
- (4) Any real estate broker or a real estate salesman who is not actively and principally engage in negotiating, placing, or finding mortgage loans when rendering professional services.
- (5) Any real estate investment trust.
- (6) Any securities broker-dealer registered with the federal Securities and Exchange Commission and the securities law division of the office of financial institutions, and the registered agents of the broker-dealer, when such persons are not principally engaged in negotiating, placing, or finding mortgage loans when rendering professional services.
- (7) Any manufactured home dealer licensed pursuant to the provisions of R.S. 51:911.24 who arranges or assists in arranging for a customer a direct or indirect consumer of federally related mortgage loan secured in whole or in

part by a manufactured home, when such dealer's business is not primarily that of a consumer loan broker.

(8) Any person who is licensed pursuant to the Residential Mortgage Lending Act, R.S. 6:1081 et seq., and whose primary business is that of a mortgage broker, mortgage lender, or both.

### **§3572.3. Licensure required**

A. (1) Unless a person has first been licensed by the commissioner as provided in this Part, he shall not engage in the business of loan brokering, and shall not advertise or solicit, whether in print, by letter, in person, or otherwise in Louisiana, that he will find lenders for consumer loans or federally related mortgage loans. The initial license and annual renewal fee shall be five hundred dollars. However, a natural person through whom a corporation brokers loans pursuant to R.S. 9:3572.4 shall pay an initial license and annual renewal fee of one hundred dollars. No portion of the fee shall be refunded if the application is denied.

(2) The annual renewal application and fee are due on or before January first of each year. The form and content of renewal applications shall be determined by the commissioner of financial institutions, and a renewal application may be denied upon the same grounds as would justify denial of an initial application, or may be denied if administrative proceedings to suspend or revoke the license have begun. If the commissioner has not received the annual renewal application and fee postmarked on or before January sixteenth, he shall notify the loan broker by United States mail and assess a late fee of one hundred dollars.

(3) If the commissioner has not received the annual renewal application, renewal fee and late fee postmarked on or before March thirty-first, the license shall automatically lapse without a hearing or notification, and any consumer loan or federally related mortgage loan brokered after that date shall be a violation and punishable pursuant to R.S. 9:3572.12(B).

B.(1) In the event that a broker wishes to change its name, location, or mailing address, it shall notify the commissioner by written notice within thirty days prior to such change and submit a fee of fifty dollars. If the broker fails to notify the commissioner or remit the required fee within the required thirty days, the commissioner may assess the licensee one hundred dollars as a penalty.

(2) If any information furnished by the broker becomes inaccurate after its filing, the broker shall correct the inaccuracy by written notice to the commissioner within thirty days after the information becomes inaccurate. No additional fee shall be required.

### **§3572.4. Corporation**

A corporation that is a loan broker shall be licensed and shall act as a loan broker only through natural persons who are loan brokers.

### **§3572.5. Application form**

A. The commissioner of financial institutions shall provide an application form that requires at least the following information which shall be given by the applicant:

- (1) For a natural person:
  - (a) Full name.
  - (b) Date of birth.
  - (c) Place of birth.

- (d) Business address.
- (e) Home address.
- (f) Name and address of employer.
- (g) Names and addresses of the lenders through which the principal amount of the consumer loans or federally related mortgage loans are brokered.
- (h) Number of consumer loans or federally related mortgage loans brokered in the past one-year period.
- (i) A certified copy of the bond or of the formal notification by the depository of the establishment of the trust account required by R.S. 9:3572.8.

(2) For a corporation:

- (a) Name.
- (b) Copy of the certificate of incorporation if a Louisiana corporation.
- (c) Copy of certificate authorizing the corporation to do business in Louisiana, if a foreign corporation.
- (d) Address of the corporation in Louisiana.
- (e) Address of the main corporate office, if outside of Louisiana.
- (f) Name and address of president, secretary, and treasurer of the corporation.
- (g) Name of each licensed loan broker through which it will conduct business.
- (h) Names and addresses of the lenders through which the principal amount of consumer loans or federally related mortgage loans are brokered.
- (i) Number of consumer loans or federally related mortgage loans brokered in the past one-year period.
- (j) A certified copy of the bond or of the formal notification by the depository of the establishment of the trust account required by R.S. 9:3572.8.

B. (1) The commissioner may deny an application if he finds that the financial responsibility, character, and fitness of the applicant and its principals, owners, officers, directors, partners, and members, and the character and fitness of its managers are such as to warrant a belief that the business will not be operated honestly and fairly within the purposes of this Part.

(2) Upon written request, the applicant is entitled to a hearing on the question of his qualifications for a loan broker license if either of the following occurs:

- (a) The commissioner has notified the applicant in writing that his application has been denied.
  - (b) The commissioner has not issued a permit within sixty days after the application therefor was filed.
- (3) A request for a hearing may not be made more than fifteen days after the commissioner has mailed a written notice to the applicant notifying him that the application has been denied and stating in substance the commissioner's findings supporting denial of the application.

### **§3572.6. Restrictions; records**

A. A loan broker shall broker a consumer loan or federally related mortgage loan only to a lender licensed by the office of financial institutions, or to a supervised financial organization or a lender that is exempt from licensure.

B.(1) Each loan broker shall maintain a copy of all Federal Disclosure Statements from each loan that he brokers and a copy of the signed "Loan Brokerage Agreement and Disclosure Statement" given to each person pursuant to R.S. 9:3572.11, which shall be available for inspection.

(2) If the records of the loan broker are located outside this state, the broker shall, at the option of the commissioner, make such records available to the commissioner at a specified location within this state convenient to the commissioner, or the broker shall pay the reasonable and necessary expenses for the commissioner to examine the records at the location specified in the records of the office. The commissioner may designate representatives from his office or, if available and more practical, officials serving in similar capacity in the state in which the records are located to inspect them on his behalf.

C. Except as specified by this Part, no loan broker may assess, contract for, or receive any type of fee, interest, or other charge in advance, except for expense deposits under conditions specified in this Subsection, from a potential borrower for the procurement of a loan. A loan broker may accept an advance expense deposit, but such deposit shall not exceed the good faith estimate of the actual cost of any appraisal, title search, or credit reports performed by an independent person and required by the originating lender for the evaluation of the potential borrower's loan application. Any expense deposit that exceeds the actual cost of any appraisal, title search, or credit reports must be promptly refunded to the borrower or credited to the borrower's account at the time of the loan closing.

### **§3572.7. Examination; rules**

A. The commissioner of financial institutions, through his employees, may examine the records of a loan broker at any time during normal business hours without prior notice.

B. The commissioner may issue rules and regulations to implement this Part and may require that additional information be disclosed in the licensure form.

### **§3572.8. Bond or trust account required**

A. Every loan broker, except those loan brokers employed by a corporation with a valid loan broker's license, must obtain a surety bond issued by a surety company authorized to do business in Louisiana, or establish a trust account with a federally insured bank or savings institution located in Louisiana. The amount of the bond or trust account shall be twenty-five thousand dollars. The bond or trust account shall be in favor of the state of Louisiana. Any person damaged by the loan broker's breach of contract or of any obligation arising therefrom, or by any violation of law, or the attorney general seeking additional relief from R.S. 51:1408, may bring an action against the bond or trust account to recover monies therefrom. The aggregate liability of the surety or trustee shall be only for actual damages or additional relief under R.S. 51:1408 and in no event shall exceed the amount of the bond or trust account.

B. The term of the bond shall be continuous, but it shall be subject to termination by the surety upon giving sixty days written notice to the principal and to the commissioner. The bond shall continue in effect during the sixty-day period.

C. A copy of said bond shall be conspicuously posted at any business location of the broker near the location where payments are received.

D. It shall be unlawful for any loan broker or its agent or employee to post an expired bond or a bond which does

not meet the requirements of this Section.

### **§3572.9. Rebate upon prepayment**

Whenever a lender that funded a brokered consumer loan or federally related mortgage loan is required to rebate unearned loan finance charges or credit service charges to the consumer due to prepayment or the acceleration of maturity, the loan broker shall refund to the lender the proportion of the brokers fee that must be rebated by the lender. This refund shall be made within seven days of the lenders furnishing proof to the broker of the required rebate.

### **§3572.10. Right of cancellation**

An applicant for a consumer or federally related mortgage loan shall have the right to cancel a ALoan Brokerage Agreement and Disclosure Statement required by R.S. 9:3572.11 within five business days of signing such agreement. The applicant may exercise the right to cancel until midnight of the fifth business day following his signing of such statement. The applicant borrower shall have been considered to have exercised his right of cancellation when written notification has been postmarked or otherwise delivered to the loan brokers designated place of business within the prescribed time.

### **§3572.11. Loan brokerage statement; disclosure statement required**

A.(1) Each application for a consumer or federally related mortgage loan in which a loan broker is involved shall be accompanied by a written ALoan Brokerage Agreement and Disclosure Statement which shall be signed by all contracting parties. A copy of the signed agreement shall be presented to the applicant at the time of signing.

(2) The initial paragraph of the ALoan Brokerage Agreement and Disclosure Statement shall be entitled in at least ten point bold-face capital letters ADISCLOSURE REQUIRED BY LOUISIANA LAW. Under this title shall appear the statement in at least ten point type that AThe state of Louisiana does not approve or disapprove any loan brokerage contract. The information contained in this disclosure has not been verified by the state. If you have any questions see an attorney before you sign a contract agreement.

B. The ALoan Brokerage Agreement and Disclosure Statement shall contain the following information:

(1)The name of the loan broker; whether the loan broker is doing business as an individual, partnership, limited liability company, or corporation; the names under which the loan broker has done, is doing, or intends to do business; and the name of any parent or affiliated companies providing a settlement service.

(2) Repealed by Acts 1999, No. 1160, § 2.

(3) The length of time the loan broker has conducted business as a loan broker.

(4) A full and detailed description of the actual services that the loan broker undertakes to perform for the prospective borrower.

(5) One of the following statements, whichever is appropriate:

(a) AAs required by Louisiana law, this loan broker has secured a bond by\_\_\_\_\_, a surety authorized to do business in this state. A certified copy of this bond is filed with the commissioner of financial institutions. Before signing a contract with this loan broker, you should check with the surety company to determine the bonds current status, or

(b) AAs required by Louisiana law, this loan broker has established a trust account (number of account) with

(name/address of bank or savings institution). Before signing a contract with this loan broker you should check with the bank or savings institution to determine the current status of the trust account.

### **§3572.12. Violations; penalties**

A. A loan made in violation of this Part shall not be invalid solely for that reason.

B. A person who violates a provision of this Part may be assessed a civil penalty of not more than one thousand dollars for each violation. The commissioner may maintain a civil action in a court of competent jurisdiction to recover such a civil penalty, together with his costs and attorney fees incident to such action.

C. (1) The commissioner may, after a hearing pursuant to the Administrative Procedure Act, suspend or revoke the license of a loan broker, upon a finding that any fact or condition exists which, if it had existed at the time of the original application for licensure, would have warranted the denying of its issuance.

(2) The commissioner may, after a hearing pursuant to the Administrative Procedure Act, suspend or revoke the license of a loan broker, upon a finding that the loan broker violated a provision of this Part or a rule or regulation of the commissioner issued pursuant thereto, or that the loan broker willfully, either orally or in writing, misrepresented the terms, benefits, privileges, or provisions of any service contract issued or to be issued by the loan broker or by any lender.

D. The contracting to receive any fee, interest, or other charge in violation of this Chapter shall result in forfeiture by the loan broker to the benefit of the aggrieved person of the entire fee, plus damages in the amount of twice the fee. In case the fee has been paid, the person by whom it has been paid may recover from the loan broker the amount of the fee thus paid, plus damages in the amount of twice the fee.

E. Whenever it shall appear to the commissioner, either upon complaint or otherwise, that any person has engaged in, is engaging in, or is about to engage in any act, practice, or transaction which is prohibited by this Part or by any order of the commissioner issued pursuant to any Section of this Part, or which is declared to be illegal in this Part, the commissioner may, in his discretion:

(1) Issue any order, including but not limited to cease and desist orders, which he deems necessary or appropriate in the public interest or for the protection of the public. Any person aggrieved by an order issued pursuant to this Subsection may request a hearing before the commissioner if such request is made within ten days after receipt of the order. Any such hearing or appeal therefrom shall be held in accordance with the Administrative Procedure Act.

(2) Apply to the district court of any parish in this state for an injunction restraining such person and the agents, employees, partners, officers, and directors of such person from continuing such act, practice, or transaction or engaging therein or doing any acts in furtherance thereof, and for such other and further relief as he deems necessary.