



Description



MICHIGAN CONSUMER FINANCIAL SERVICES CLASS II LICENSE

Who is required to have this license?

Any sole proprietor or company who, intends to engage in all of the activities permitted under any of the following financial licensing acts: Credit Card Arrangements Act, 1984 PA 379; Motor Vehicle Sales Finance Act, 1950 (Ex Ses) PA 27; Regulatory Loan Act, 1939 PA 21; Secondary Mortgage Loan Act, 1981 PA 125, and does not conduct loan servicing activities under the Secondary Mortgage Loan Act, 1981 PA 125, or conduct activities as a mortgage broker, lender, or servicer as required under the Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173.

Any sole proprietor or company may apply for and obtain a Class II license and receive authority to conduct activities under this one license instead of applying for and receiving separate licenses or registrations under each statute as mentioned above.

Who does not need this license?

- Any sole proprietor or company who is licensed or registered under the Credit Card Arrangements Act, 1984 PA 379; Money Transmission Services Act, 2006 PA 250; Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173; Motor Vehicle Sales Finance Act, 1950 (Ex Sess) PA 27; Regulatory Loan Act, 1939 PA 21; Secondary Mortgage Loan Act, 1981 PA 125.
- Any sole proprietor or company who is licensed as a Class I licensee.
- A bank, savings and loan association, savings bank, or credit union organized under the laws of this state, another state, the District of Columbia, the United States, or a territory or protectorate of the United States, whose deposits are insured by an agency of the federal government.

Pre-requisites for license applications

- Minimum Net worth:
 - \$50,000 if not conducting credit card and money transmission activities
 - \$1,000,000 if conducting credit card activities
 - \$100,000 plus additional \$25,000 for each additional location or authorized delegate up to a maximum of \$1,000,000 if conducting money transmission activities
- Bond amount:
 - \$500,000 if not conducting money transmission activities
 - \$1,500,000 if conducting money transmission activities
- Criminal background check: Yes
- Credit check: Yes
- Experience: Yes
- Testing: N/A
- Education: N/A

WHO TO CONTACT – Contact Consumer Finance Section licensing staff by phone at (877) 999-6442 or send your questions via e-mail to mcghees@michigan.gov for additional assistance.

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